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Sub-Saharan Africa Report



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4 March 1986

SUB-SAHARAN AFRICA REPORT

CONTENTS

INTER-AFRICAN AFFAIRS

ECOWAS Budget Drops 8 Percent (Ngozi Ikeano; EUSINESS TIMES, 13 Jan 86)	1
Role of Ethnic Groups Discussed (Elikia M'Bokolo Interview; LIBERATION AFRIQUE CARAIBE- PACIFIQUE, Sep 85-Feb 86)	3

ANGOLA

Results of MPLA Congress Analyzed (Leston Bandeira; AFRICA JORNAL, 18 Dec 85)	9
Labor Union Issues Communique With Portuguese Counterpart (JORNAL DE ANGOLA, 13 Oct 85)	13
GDR Youth Delegation Visits (JORNAL DE ANGOLA, 13 Oct 85)	14
Flour Industry Difficulties Described (JORNAL DE ANGOLA, 13 Oct 85)	15
Naval Recruits Complete Basic Training (Diogo Paixao; JORNAL DE ANGOLA, 13 Oct 85)	16

DJIBOUTI

Stevedores' Grievances, Situation Reported (LA NATION, 28 Nov 85)	17
--	----

GHANA

EEC Financial Agreement Signed (Accra Domestic Service, 12 Feb 86)	20
---	----

GUINEA

Briefs

New Gold Mining Company	21
New Passports Issued	21

KENYA

briefs

Commodity Protocol With Italy	22
-------------------------------	----

MOZAMBIQUE

Dos Santos Discusses Security, Economic Situation (Marcelino Dos Santos Interview; REVOLUTION, 25 Dec 85- 2 Jan 86)	23
Finance, Home Trade Ministries Explain Price Increases (NOTICIAS, 15 Jan 86)	26
Electronics Training Center To Serve Media Personnel (Alfredo Macaringue; NOTICIAS, 5 Dec 85)	28
Vice Minister Tours Niassa Province Agricultural Unit (NOTICIAS, 5 Dec 85)	30
Lucheringo Party District Committee Elected (NOTICIAS, 5 Dec 85)	31
Quelimane Enterprise Providing 'Good' Bus Service (NOTICIAS, 5 Dec 85)	33
Drop in River Level Facilitates Water Treatment (NOTICIAS, 11 Jan 86)	34
Cooperative School To Be Established in Beira (NOTICIAS, 16 Jan 86)	36
Briefs	
Lisbon Economics Course	38
Macanga Requests Weapons	38
Italian Municipality To Invest	39

SENEGAL

Problems With New Farm Policy Examined (Amdiatou Koundour; WAL FADJRI, 27 Dec 85)	40
--	----

SIERRA LEONE

Briefs

Anti-Hoarding Squad Formed	43
France Donates Ivorian Maize	43

SOMALIA

DFSS Official's Anniversary Address Urges Unified Struggle (Radio Halgan in Somali to Somalia, 9 Feb 86)	44
---	----

ZAMBIA

Kaunda Tells SWAPO's Nujoma Namibia Must Be Liberated (Lusaka Domestic Service, 5 Feb 86)	47
Members of Parliament Warn of Political Turmoil (TIMES OF ZAMBIA, 30 Jan 86)	48
Parliament on IMF Debt, Costs of Foreign Workers (ZAMBIA DAILY MAIL, 30 Jan 86)	49
Ireland Pledges Increased Economic Aid (ZAMBIA DAILY MAIL, 25 Jan 86)	51
Program Adopted To Boost Coffee Output (ZAMBIA DAILY MAIL, 27 Jan 86)	52
Farming Costs Soar With Fertilizer Price Increase (TIMES OF ZAMBIA, 28 Jan 86)	53
Oil Tender Evaluations Completed (ZAMBIA DAILY MAIL, 30 Jan 86)	54
Copperbelt Reorganization Calls for Mine Closures, Layoffs (THE CITIZEN, 31 Jan 86)	55
Briefs Tazara Loan Repayment to China Begins	56

SOUTH AFRICA

AFRIKANER/GOVERNMENT

Cape NP Congress Seen as Reaffirming Black Power-Sharing (Dawie; DIE BURGER, 2 Oct 85)	57
Reassessed View of Black Africa Urged (Editorial; DIE VADERLAND, 7 Oct 85)	60
Government Allegedly Conferred With ANC Year Ago (DIE AFRIKANER, 13 Nov 85)	62
Strengthening of Conservatives Discussed (DIE AFRIKANER, 13 Nov 85)	63

Victory at Sasolburg Giving New Impetus to HNP (DIE AFRIKANER, 13 Nov 85)	65
AV Warns Against Involvement With FAK (DIE AFRIKANER, 13 Nov 85)	66
Wiehahn Report Declares Dismissal of Black Workers Illegal (DIE AFRIKANER, 13 Nov 85)	67
HNP Secretary Denounces Commonwealth 'Interference' (DIE AFRIKANER, 13 Nov 85)	68
Boycott of Brazilian Products Recommended (DIE AFRIKANER, 13 Nov 85)	70
Professor Views Reforms as Disastrous for Whites (M. T. W. Arnheim; DIE AFRIKANER, 4 Dec 85)	71
750 Law Officers Graduate From Lenz Military Base (THE CITIZEN, 1 Feb 86)	75
New Strategy Called for in Police Handling of Rioting (Editorial; DIE BURGER, 10 Oct 85)	76
Police Detail Crowd Control Methods (Kolie van Koller; Johannesburg Television Service, 5 Feb 86)	78
Policeman Comments on Detainee Injury (THE STAR, 5 Feb 86)	81
Prison Service to Monitor Detainees' Grievances (SAPA, 7 Feb 86)	82

BLACKS

Buthlezi Discusses Participation, Citizenship Magosuthu Buthelezi Interview; Johannesburg Television Service, 4 Feb 86)	83
AZASM Issues Statement on Medunsa Decision (SAPA, 10 Feb 86)	92
Briefs Families Moved to Ciskei	93

SOCIOPOLITICAL/OTHER

Organization Formed To Boost Nation's Image (Sue Dobson; THE STAR, 6 Feb 86)	94
---	----

Introduction of Bill of Rights Discussed (B. Ranchod, S. Strauss; Johannesburg Television Service, 6 Feb 86)	96
WEEKLY MAIL Carries 'Apartheid Barometer' (THE WEEKLY MAIL, 7-13 Feb 86)	102
Briefs Enrollment Rises at Technikon	106
ECONOMIC	
Krugerrand Seen as Alternative Form of Investment (Ciaran Ryan; SUNDAY TIMES, 26 Jan 86)	107
Export, Price Fears Strain Coal Shares (Brendan Ryan; SUNDAY TIMES, 26 Jan 86)	110
UCT Economist Discusses Inflation Forecasting (Jos Gerson; BUSINESS DAY, 29 Jan 86)	112
Inflation-Tax Issue Assuming Alarming Proportions (Barry Sergeant; BUSINESS DAY, 31 Jan 86)	115
Exports of Scrap Steel Will Earn Foreign Exchange (Desmond Healy; THE CITIZEN, 3 Feb 86)	117
Fifth Crop Failure for Western Transvaal Predicted (Keith Abendroth; THE CITIZEN, 4 Feb 86)	119
Small Businesses Corporation Flooded With Eager Entrepreneurs (Michael Chester; THE STAR, 4 Feb 86)	121
Consumer Market 'Will Be Dominated by Blacks' (THE CITIZEN, 4 Feb 86)	124
Church of England Will Not Break Investment Links (THE STAR, 5 Feb 86)	126
SBDC Urges Government of Remove Regulations (Michael Chester; THE STAR, 5 Feb 86)	128
Briefs Fuel Protest Petition Signed	130

4 March 1986

INTER-AFRICAN AFFAIRS

ECOWAS BUDGET DROPS 8 PERCENT

Lagos BUSINESS TIMES in English 13 Jan 86 p 1

[Article by Ngozi Ikeano]

[Text]

THERE has been a drop in the budget of the ECOWAS Executive Secretariat for this year.

The Council of Ministers (made up of ministers responsible for ECOWAS matters in the 16-member-states) approved a budget of 5,522,174 unit of account, that is about \$5.68 million or ₦5.654 million (at current conversion rates) for the Secretariat for the 1986 fiscal year.

This amount is eight per cent less than the Secretariat's approved vote for 1985.

For the ECOWAS Fund, the Council of Ministers approved an operational budget of 3,750,951 unit of account (about ₦3.84 million) as revenue and 3,010,312 unit of account (about ₦3.08 million) as expenditure for it in 1986. An investment budget of 24,221,664 unit of account (about ₦24.80 million) for 1986 was also approved for the fund.

It was learnt that the investment budget include loans, grants and guarantees for projects in member-states. Some of the projects are in respect of agriculture (Seed multiplication and cattle breeding centres), transport (studies and construction of bridges and roads on the trans West African Highway Network), industries etc.

Meanwhile it was learnt that defaulters in statutory contributions are owing the organization about ten million dollars (about ₦9.996 million) At least six countries are lagging behind in payment.

The ECOWAS Executive Secretariat gets its funds from statutory contributions by member-states and this has been posing some financial problems for the organization due to non-payment or what the Executive Secretary, Alhaji Momodu Munu, describes as "tardiness" in the payment of dues by some members since 1979, culminating in the present debt of about ten million naira owed the organization by defaulters.

Nigeria which has the highest allocation to ECOWAS funds, contributing about 33 per cent of the organization total funds, is one of the few member-countries that pays its dues promptly.

In an interview last year, the ECOWAS executive secretary disclosed that the problem of finance, arising from default in contributions, was crippling the secretariat's activities, adding that they had been forced to place a temporary ban on recruitment as a result of the problem.

Alhaji Momodu also told the Business Times in an exclusive interview that a visit by the Chairman of the Council of Ministers was being planned for early this year "for him to meet the Heads of State and ministers responsible for ECOWAS matters and again emphasise the fact that unless they are committed to the extent of ratifying and implementing community decisions and at the same time continue to pay their contributions on

time we may not be able to achieve our targets." The current ECOWAS Chairman is President Ibrahim Babangida while the country's National Planning Minister is the Chairman Council of Ministers.

Answering questions from the Business Times, National Planning Minister, Dr. S. Okongwu confirmed that he (in his capacity as the Chairman of the Council of Ministers) in collaboration with the Executive Secretariat would begin a tour of "chronic debtor nations" in mid-February "in order to arrive at a firm commitment by the states for payment of what they owe the community". He added that the tour "would be in two or three phases".

Answering another question, Dr. Okongwu hinted that the organization was considering the imposition of punitive measures against member-states which in future default in payment after the

tour, although he did not elaborate on the form the sanctions would take.

According to the minister, Nigeria at the last Council of Ministers' meeting decried a situation whereby some member-states who have not paid their contributions for upwards of four or more years, have benefitted from loans from the ECOWAS Fund, pointing out that Nigeria would not tolerate such a situation.

Continuing he intimated that the last Council of Ministers meeting after heated discussions, debates and near stalemate, finally approved the Nigerian delegation proposal that the ECOWAS Fund in Lome, Togo, should come to the financial assistance of the Secretariat by financing part of the secretariat's operations by way of advances which would be repaid as member-states pay up their contributions.

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CSO: 3400/1058

INTER-AFRICAN AFFAIRS

ROLE OF ETHNIC GROUPS DISCUSSED

Paris LIBERATION AFRIQUE CARAIBE-PACIFIQUE in French Sep 85-Feb 86 pp 27-29

[Elikia M'Bokolo interviewed by magazine; date and place not specified]

[Text] Elikia M'Bokolo, assistant professor at the School for Advanced Social Studies and director of the African Studies Center, working with Jean-Loup Amselle, compiled the contributions--their own as well as papers by J. Bazin, J.P. Dozon, J.P. Chretien, and C. Vidal--in this book [AU COEUR DE L'ETHNIE] which challenges many of the popular and scholarly assumptions on ethnicity in Africa.

Question: Mr M'Bokolo, most journalists consider ethnicity the driving force behind political action in Africa. What do you think?

Answer: It's fairly normal for journalists writing about Africa to use that sort of assumption, because it is so convenient. When people arrive in African countries as journalists do--that is, after a coup d'etat or in the context of official visits--often the local establishment in Africa makes use of these same ethnic criteria. For example, when Ahidjo was president of Cameroon, everyone who went to Cameroon heard that Ahidjo was from the north and that he was president of a country composed of different ethnic groups. Very often, when a political crisis arises, this explanation is used, for it doesn't demand any intensive reflection. Perhaps, too, people may be looking for explanations for African political mechanisms that are supposedly specific to Africa. And then there is also a certain intellectual tradition in Europe that tends to describe Africa according to its ethnic composition, rather than by some other factor.

Question: Also, isn't this "tribal diversity" a convenient argument for rejecting any political pluralism or finally for justifying the existence of a single party at the head of neo-colonial states?

Answer: Yes, I think so... because African politicians themselves believe or pretend to believe--it depends on the individual case--that there is tribal diversity. Many of them say so. Then they claim to be making efforts to create a nation or to be engaged in large-scale development operations.

Generally, the argument used is that a nation requires homogeneity, an identity; since this identity was not present in the past, it can be created. Look at the number of books entitled "nations under construction," "the construction of the African nations," and the number of statesmen described as "the father of the nation," "the founder of the nation," or "the builder of the nation." They seem to believe that a nation has to be built. Since in the case of Africa its diversity is "tribal," this means that any diversity, any pluralism--political pluralism for example--may well take on ethnic aspects. This may indeed have happened at times, but people often forget that in the first years of independence, when Africa did experience political pluralism, often the parties were not ethnic parties: there were progressive parties opposed to parties favoring colonization or neo-colonialism. And so, in the name of this ethnic diversity that must be fought against, and in the name of a national identity that has to be created, generally we come to the point that a single party is needed, and in addition, one man at the head of this single party, with whom the nation can identify.

Question: Quite often it isn't only the heads of state who talk about maintaining territorial integrity and rejecting ethnic political aspirations, but the opposition as well, the intellectuals on the African left. That is true in Senegal, concerning the Casamance region. There is a relative fear of challenging the states as they presently exist...

Answer: I think there is indeed such an attachment to the territorial framework inherited from colonization, within which people have come to define their political ambitions. In most of the countries, there is a sort of unanimity that this territorial framework must be kept and that any recognition of demands of the Casamance type would risk leading to a collapse of this territorial framework. There is another explanation, too: that in the recent political tradition, regionalist demands have most often been combined with neo-colonialism, with conservatism and with reaction. The first experiences with regionalism were separatist experiments inspired by neo-colonialism. For example, in the cases of Katanga or Biafra, many people thought that separation would be useful because it would be simpler to work out oil deals with a small state like Biafra than with a large country.

Question: Yes, but let's get back to your book. Ethnic groups are not just a colonial creation, a classification which was developed from outside to describe politically and economically dominated societies?

Answer: The ethnic group was obviously an intellectual category which flourished for 80 years or so, since there are scientific fields--ethnology, ethnography--which for a long time were identified solely with the dominated continents, particularly with Africa. Only in about the past 10 years have people also begun to talk about the ethnography of the developed countries,

either the ethnography of dominated regions--as in the case of France--or the ethnography of dominated classes--the working class, for example. But in the case of Africa, the concept of the ethnic group was for a long time used in the same sense as the concept of nation was used in Europe; up to about 1850, people talking about Africa said "nation," "ethnic group," or "tribe," using them all more or less interchangeably. Then later, during the true colonial period, when they were administering, dominating, exploiting, and legitimizing this exploitation, they gave up the concept of nation, using it to designate roughly the same thing as the nation, but a thing that was supposed to be less developed, wilder than the nation. It could be said that the ethnic group is the nation in a savage state. This also meant denying that the African might be comparable to the European. People said "race" very often in order to divide the races. For example, in the case of French colonization, when they used black soldiers they made a distinction between the male, war-like races, from which they drew a lot of soldiers for various wars, and the so-called female, peaceful races, which were meant to be dominated. They also made a distinction between the working, productive races, generally groups or regions where colonial capitalism managed to gain an easy foothold, and the so-called lazy or idle races--regions where there were forms of passive resistance to colonization.

Question: And in the end, isn't there some identity between regionalism in France and ethnicity?

Answer: In the case of France, there is an approximation of the situation. The state was formed by forcefully or otherwise integrating regions which had their own highly distinctive personalities. In the case of the African continent, in the beginning there was no central state engaged in this process of expansion, but there was finally a clustering of different regions within a territorial space. Moreover, colonization was often unequal from one region to another. Inside these different spaces were poles or driving forces around which other regions came to cluster on the outskirts. The example of Zaire is used in the book. In this case, Katanga became one of the motivating regions with, in the Katangan space--the industrial region--all the peripheral areas linked to it, very much like the linkage between Paris and certain dominated regions of France, if you want to use that comparison. These different splits ended by creating a problem of contemporary demands. These are not ethnic demands, for they are related to current political and economic mechanisms, but they truly pose a problem whose urgency and nature people are unwilling to recognize.

Question: Just now, you were alluding to what some people call the specific dynamics of African societies, ethnic groups. But actually, doesn't such a position completely overlook pre-colonial history?

Answer: If we consider pre-colonial history, we don't see ethnic groups. We find states, often states that are engaged in expansion. When colonization came, it had to deal with states where there were dominators--both in

terms of social classes and in terms of dominant regions--and dominated. Colonization exploited this situation, and opposed these regions to each other. In the pre-colonial period, beyond the states, we also find large spaces. This is a remarkable feature in both West Africa and East Africa, where there were large spaces with integrated trade relations. This supposes the appearance of a certain number of social groups, such as merchants. This group had its own particular features; the use of a commercial language, ways of living, and sometimes a religion, generally Islam. Yet today people will tell you that in certain "Dioula" regions, this is an ethnic group. But we know it is not an ethnic group; it is a social group. So there is a misunderstanding of this historic dynamic, a misunderstanding of the political fact, the state, and a misunderstanding of social dynamics. All this has led people to talk of ethnic groups for reasons of convenience. The serious aspect of this is that when we speak of state, of class, etc., we come to the conclusion that in essence, there is no African specificity as such, and that the political phenomena we see in Africa are in their nature the same as elsewhere. But obviously Africa has its own particular history, especially the history of these foreign dominations, while the people who talk of ethnic groups suppose that there is not only a specificity of Africa, which is supposed to be a congenital specificity, and that as ethnic groups have a somewhat folkloric, somewhat archaic aspect, this congenital specificity is also supposed to have its archaic aspects. So it then becomes hard to break free of the opposition between the civilized west and savage Africa.

Question: It seems that too many attempts to demystify this image of eternal Africa may make other concepts--of state, class, etc--more transparent... When Mr Dozon describes the creation of the "Betes," he shows a case in which colonial history completely made up what would be called an ethnic group. But if we compare the Sereer and the Wolof in Senegal, both of them subjected to capitalist penetration through peanut cultivation, we find that these societies reacted very differently to a process of foreign penetration that seems identical. Somehow, we need to account for this diversity...

Answer: Yes, I think we do have to explain this. What we suggested is that to do so, we must place these political units in their historical context, remembering that the Sereer had previously been grouped in a political unit with its own dynamics, which clashed with colonialism, rather than talking about eternal things to which external factors come to be attached. I will go even further--and here I am speaking only for myself, and not for my colleagues in this book--and say that in my opinion, in a somewhat sketchy way, we might say that, contrary to people who claim that Africa's problems are first of all economic problems, the problems of Africa are first of all political problems, and that we can not achieve what is called development without political democracy. On this basis, I believe that we can not have political democracy in Africa without also giving up ideology, even the caricature of the western type of nation-state. This means that democracy,

with the pluralism which it entails, will also require a recognition of regional personalities and of local powers. I think that gradually a large part of the African left has come to engage in its own self-criticism, in the sense that condemnation of what had been called regionalisms in the name of neo-colonial manipulations is now yielding to the idea that the state is the territorial framework in which a person has to act, but that this also requires that people recognize forms of local power, so that the people--or the popular masses--may take direct and effective action.

Question: In your book, you challenge the concept of the ethnic group. And yet quite often, when students do a paper on their ethnic group, or even in a study by the journal DEMB AK TEY in Senegal, a very classical tradition of ethnology is reflected. How do you explain this phenomenon?

Answer: That is an important question (...). I do think that in political situations which are unclear, the dominated often reproduce the line of the dominators. And domination becomes completely successful when the dominated not only reproduce, but also internalize the values of the dominators. This is very clear in a country like Zaire. General Mobutu managed to convince the Zairians that there were no class conflicts, and that there was certainly no foreign domination there, but rather that there were pockets of different ethnic groups, and that his job, the task of the father of the nation, was to create equilibrium among these groups.

Moreover, the centralized national state, as it exists in Africa today, has given rise to anti-state ideologies which are regionalist ideologies, and sometimes indigenous or native-group ideologies.

Question: Finally, isn't there also a certain mystification--though the word may be a bit strong--when people insist absolutely on the artificial character of the African states?

Answer: I think that all states are artificial. For a long time, people dreamed of natural borders, thinking that mountains or rivers could provide natural boundaries. But we have seen that often rivers are not borders, but places of exchange around which communities grow up. The African states are as artificial as the other states. Perhaps the problem is that these states were really created in a caricatural manner--this may be the shocking part of it--taking pencils and rulers in hand, people drew these boundaries. Today, nearly 100 years later, we are face to face with reality: these states are here. The political strategies of the African countries and of the great powers are developed in reference to these territorial frameworks. So, my own view is that in the struggles going on today in Africa, people may fight to the ends of Africa in general or for Panafricanism, but that won't work. The struggles are taking place inside these state spaces. We may dream that one day boundaries may be redrawn, but these boundaries are what we have

now: the ethnic or regionalist identities of which people talk, the social classes, and state powers are all formed on the basis of these territories. So it is inside that people must act, and perhaps later--but I don't see this as anything urgent for our generation--people may redraw the borders or create much larger political units.

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CSO: 3419/167

ANGOLA

RESULTS OF MPLA CONGRESS ANALYZED

Lisbon AFRICA JORNAL in Portuguese 18 Dec 85 pp 12-13

[Article by Leston Bandeira]

[Text] The results of the Second Congress of the MPLA-Labor Party, held in Luanda from 2 to 9 December, are regarded in Luanda as normal. The nominal changes in the main leadership organs of the party are not given greater importance than the resolutions approved which, in general, give preference to the ideological aspect of national life. In the opinion of Angolan leaders, the changes made in the main party organs are the result of a positive evolution of the party structures.

"This was the congress of open discussion," several participants and observers repeated to me. "Nothing failed to be analyzed and discussed," they added.

At the same time, the idea is circulating that the party structures are now closer to its designation. "An organization that calls itself a party is different from that of a movement," they add.

It is on the basis of this differentiation that all the changes that have occurred in the party leadership are explained. "There were comrades who did not adapt to this evolution: their removal from leadership organs does not mean, however, that they are no longer useful."

There is care in Luanda not to attribute great importance to the departure of Lucio Lara from the MPLA Political Bureau, for example, as well as that of all the others: Evaristo Kimba, Xietu and Ludy Kissassunda. The latter is not even a member of the Central Committee, where Iko Carreira, Mendes de Carvalho and Henrique dos Santos (Onambwe) still remain, although as alternates, which is obviously a big and significant change if we consider it in the context of all the other changes, not only of the departures but especially of the promotions.

The most spectacular is undoubtedly that of Pedro de Castro Van Dunem (Loy), who went directly into the Political Bureau. Loy was the "perennial candidate" to the Central Committee but this time he moved up to the Political Bureau as a full member.

The rise of the minister of energy and oil cannot fail to be compared with the departure of Herminio Escorcio from the Central Committee, since the latter was the director general of the National Fuel Company of Angola (SONANGOL).

The selection of Afonso Van Dunem (Mbinda) for the Political Bureau as well as the transfer of Kundy Payama and Roberto de Almeida from alternates to full members of the same organ were foreseeable; as well as the retention of Kito Rodrigues, Dino Matross, the minister of security, who enjoys tremendous prestige in the country, and Pedro Maria Tonha (Pedale), minister of defense. The continuation of Pascoal Luvualu in the Political Bureau also appears to be normal.

Renovation

On the other hand, the changes that have occurred in the Central Committee also suggest important facts for an understanding of Angolan political life since the introduction of about 40 new members indicates an important renovation.

It is the "injection of new blood" in the party's leadership organs, which the leaders describe as an essential condition for the continuation of the policy of the MPLA, a party that proclaims itself more and more to be "Marxist-Leninist" and the executor of a policy that defends the interests of the working class, "that will be, has to be, the leading class in the country."

In practice, the election of new people to the Central Committee guarantees a substantial change in the rules of the political game. Six years later, Jose Eduardo dos Santos can abandon the role of arbiter, which the correlation of forces within the party imposed on him and begin to pursue courses determined by a consensus that is based, above all, on the unity built around him.

As a matter of fact, the strengthening of the Angolan president's position is the principal conclusion of this second congress, from which emerged the watchword: "Dos Santos friend, the people are with you."

The only personal prominence admitted by the structures is really the president, who has an impressive relationship of understanding and communication with the people.

This relationship between the president and the anonymous mass of the people was visible, for example, during the 10 December rally held in First of May Square, completely filled with tens of thousands of people, the majority of whom were there to tell the president that they accepted, understood and, more than that, awaited the changes that occurred in the Central Committee at a time when the Political Bureau changes were not yet known.

The Angolan president is now a leader with enormous responsibilities inasmuch as it is around him that are built all the hopes of the Angolan

people, tired of a life in which the difficulties are visible at almost all levels, beginning with supplies, transportation and housing.

Still the War

The causes of the current situation are attributed in the first place to the war, which takes up the major part of the human and economic resources. All official discourse indicates the war as the principal reason for all the difficulties and constantly appealing for vigilance.

However, it must be stressed, in Luanda there is an atmosphere of complete security and one does not notice armed movements that might suggest undue concern in that regard, in a capital where a compulsory curfew from 0000 to 0500 hours still continues to be observed.

One of the explanations for this practice is of a disciplinary nature: it helped to weigh certain habits of the people and to eliminate a certain criminal activity.

The fact that the war is the principal concern of the leaders and of the majority of the people, raises the question of learning what might be the MPLA's policy on the diplomatic level.

It seems obvious that if, on the one hand, the current party leadership of Angola is going to insist on the defense effort, subordinating to it all the other policies, on the other, it is more surely going to assume what its leaders describe as always being their policy: dialog.

"We have always supported the resolutions of conflicts through dialog," an Angolan leader told us. When reminded of the fact that some time ago, when Kito Rodrigues was negotiating in Sal with a South African delegation, Paulo Jorge was making contrary statements in Dakar, he replied with a question: "May it not be lack of discipline?"

In any case, the current team is certainly going to be more cohesive also in this area, and everything indicates that Angolan diplomacy is now going to be able to act based only on considerations of an external nature, which from the outset guarantees it greater effectiveness since it is not possible for the various forces involved in the process to base themselves on an analysis of the internal situation of Angola.

Everything indicates that both the party and state apparatus are going to act as a bloc, with the party particularly involved in diplomacy. The presence of Kito Rodrigues--the man of negotiation--in a key party position (he may even be the secretary of the Central Committee for organization, replacing Lucio Lara) will give the possible negotiating sessions much greater force.

The Return of the Cadres

Another important question that the Angolans now believe can be resolved with a certain pragmatism is that of the cadres abroad.

This country spends considerable sums on [foreign] cooperation aides and yet has thousands of cadres spread out all over the world who are technically qualified to perform the tasks of rebuilding the economy.

While the return of those cadres en bloc is considered unthinkable, because that operation would bring with it even more difficulties for all the people, the same is not believed to be true of a selected return.

It is admitted in Angola today that many of those cadres abandoned the country for political reasons and that their return should not imply integration into the MPLA but only a patriotic attitude in the face of the national situation.

In this area, it is obvious that the Angolan authorities are interested in keeping all links with the Angolans, wherever they may be.

A party leader told us: "There are 40,000 members of the MPLA. The other Angolans are only that: Angolans. We do not demand party membership from everybody.

"The return of a significant part of the Angolan cadres who live abroad could channel part of the money we now pay to cooperation aides toward the measures necessary for solution of some of the problems they would encounter," added the same leader.

Cooperation and the war are the main drains on Angolan money, which comes especially from oil, the only activity that is operating 100 percent; and it has experienced a notable increase since independence.

There is a reasonable effort to recover some industrial units but the main sources of foreign exchange are paralyzed due to the war.

Actually, what most impresses one in this country is the realization that a war in which interests alien to the people of Angola are being staked is preventing those same people from completely enjoying the advantages of living in a country that is potentially one of the richest in all Africa.

8711/9190

CSO: 3442/101

ANGOLA

LABOR UNION ISSUES COMMUNIQUE WITH PORTUGUESE COUNTERPART

Luanda JORNAL DE ANGOLA in Portuguese 13 Oct 85 p 12

[Text] Lisbon--A delegation from the National Union of Transportation and Communications Workers (SNTTC) left Lisbon after a week of contacts with SITAVA, its Portuguese counterpart. Its goal was to increase bilateral cooperation.

In a joint communique resulting from a series of meetings between the SNTTC and the directors of SITAVA the two bodies condemned the racist South African regime and "the successive acts of aggression and the incursions which the latter insists on carrying out against the Frontline States," especially Angola.

The two organizations add that these acts of aggression "are the main threat to peace in southern Africa and constitute a permanent source of tension and destabilization, which impede the advancement of the peoples of the area."

The communique also says that the directors of SITAVA expressed total solidarity with the struggle of the Angolan people for a prosperous and happy future" and praised "the successes attained towards the national reconstruction of Angola and the defense of the integrity of its sovereignty."

In its turn, the Angolan delegation, led by the first secretary of the SNTTC, Manuel Simoes Pena, "expressed his admiration for the Portuguese workers' struggle in the defense of the democratic regime established in 1974 and for the gains made on April 25, namely, those consecrated in the constitution of the Portuguese Republic."

13165/9435
CSO: 3442/59

ANGOLA

GDR YOUTH DELEGATION VISITS

Luanda JORNAL DE ANGOLA in Portuguese 13 Oct 85 p 12

[Text] Luanda--The Free German Youth delegation now in Angola by invitation of the Youth of the Popular Movement for the Liberation of Angola-Party Youth, traveled to the provinces of Benguela and Malange.

Ane Muller, head of the Free German Youth brigades, pointed out in an interview with the Angolan Press Agency that the above mentioned visits purport to evaluate the work done by the friendship brigades in the agricultural sector, namely, agricultural equipment assistance and the formation of Angolan cadres for the National Agricultural Mechanization Enterprise (ENAMA).

In Angola there are six free youth brigades whose cooperation has been increasing since 1977.

Besides members of the organization of the national secretariat of the Youth of the Popular Movement for the Liberation of Angola-Party Youth, managers of the National Agricultural Mechanization Enterprise (ENAMA) join the German delegation during these evaluation and consultation visits.

The delegation, which has been in Angola since October 2, visited the provinces of Cabinda and Uige with the same objectives.

13165/9435
CSO: 3442/59

ANGOLA

FLOUR INDUSTRY DIFFICULTIES DESCRIBED

Luanda JORNAL DE ANGOLA in Portuguese 13 Oct 85 p 12

[Text] Benguela--(By our representatives) The shortage of bags used to bag wheat flour at the 10 de Dezembro production facility, located in the city of Lobito, caused a work stoppage. That, in turn, caused an irregularity in the supply of bread to the people of this province and to neighboring provinces where this type of facility does not exist.

According to the general manager, "as soon as there is a sufficient number of bags (more than 4,500), that facility, counting 152 workers, of which 2 are technicians and 1 is an administrator, will start production."

He also said that since its opening in 1979, the plant has never had adequate equipment maintenance, which made it impossible to fulfill the required output of 100 tonnes per hour.

13165/9435
CSO: 3442/59

ANGOLA

NAVAL RECRUITS COMPLETE BASIC TRAINING

Luanda JORNAL DE ANGOLA in Portuguese 13 Oct 85 p 12

[Article by Diogo Paixao]

[Text] Luanda Naval Base--A contingent of young men enlisted in the People's Navy of Angola swore loyalty to the Fatherland yesterday at the Luanda Naval Base. The ceremony was presided over by Major Andre Gaspar Mendes de Carvalho (known as 'Miau'), head of the political office of that branch of our armed forces.

After 4 months of basic and weapons training, the young recruits will enter several different specialization tracks at the training center for junior specialists of the People's Navy of Angola.

Addressing the troops on parade, Major 'Miau' exhorted them to fulfill the hard, but honorable duty of defending the territorial waters of our country, to guarantee maritime transport of all military and economically important cargoes for the People's Republic of Angola. The above mentioned high ranking officer of our armed forces added: "This act signifies your commitment to the country of Agostinho Neto and the Government of the People's Republic of Angola to be honest, brave, disciplined, and vigilant soldiers, to hold state secrets and order of your direct superiors in the strictest confidence.

13165/9435
CSO: 3442/59

DJIBOUTI

STEVEDORES' GRIEVANCES, SITUATION REPORTED

Djibouti LA NATION in French 28 Nov 85 p 2

[Text] Situated at the edge of the Red Sea and the Indian Ocean, the Autonomous and International Port of Djibouti is halfway between Europe and the Far East. Its privileged location confers upon it three essential responsibilities: fueling, transiting and transshipment.

Gateway to the seas, the port of Djibouti has developed and confirmed its calling as a port to international traffic with the addition of a container terminal. The modernization of port infrastructure was not accompanied by an improvement in worker's wages which have not been reevaluated since 1967. The workers, who have been hit hard by the progressive decline in port traffic, are now experiencing a critical and alarming situation.

LA NATION has investigated the living, housing and working conditions of the stevedores for its readers, and shares its findings with you.

Arhiba City. It is 6 a.m. and the square in front of the employment center at the labor office, located just outside the housing complex, is gradually filling up with people. They are stevedores waiting for the center to open to find out if merchant ships are expected in the port in the next few days. Fear and worry can be read on the faces of these tough men whose livelihood is bound up in the port's maritime traffic. This is understandable once you know that since the closing of the Suez Canal in 1967 by Gamal Abdel Nasser, the port's activities have registered a gradual and disturbing decline.

The reopening did not reverse the trend, as the statistics published by the port prove. In fact, the number ships fell from 1713 in 1976 to 811 in 1984, notably due to competition from the other ports in the region, but also because of political circumstances, such as the Ogaden war.

As a result, the situation of the 3,681 stevedores has only deteriorated over the years to the extent that, today, they are living in a critical situation. "Instead of improving from one year to the next, our situation has only worsened. Work is becoming very scarce. In addition, when we do find a 1 or 2 day job after 2 months of forced unemployment, we are very badly paid," a rather bitter stevedore told us.

In fact, the stevedores say they are victims of intolerable exploitation by private companies. They state that they are paid on the basis of the 1967 rate which does not at all take current living costs into account.

A Veritable Empire

A stevedore carries a 50-kg sack for 5 Djibouti francs and a 100-kg sack of 11 Djibouti francs. For an hourly job, he is paid 105 Djibouti francs an hour. The stevedores therefore want to see their wages up-dated by the port officials, as "they must be aware of the poverty we live in," they say.

The stevedores' union has not spared any effort to draw the authorities' attention to the injustices they are subject to. But, they point out, the private companies have a majority on the port's board of directors which alone has the authority to decide to raise rates. The unions therefore tend to suspect them of exercising a veritable and all-powerful empire to continue to make money.

The stevedores also say they are the victims of the introduction of a container terminal system last February which has only aggravated the situation for some of them: the winch operators. There are 160 of them who operate the hauling equipment on medium-tonnage ships. They have since been forced out of work. Indeed, with the installation of modern gantries, they have been replaced by operators trained in Italy.

Shortened Life Expectancy

It should be said that the stevedores see themselves as facing a difficult situation bordering on "survival", according to one of them. "On our wages, one meal a day is often a luxury. Do you realize that to buy a plate of rice which costs 100 Djibouti francs, a stevedore has to carry 20 loads? Our situation does not provide us with enough to eat. That means, we don't eat much of the time." Hence more visits than normal to the Paul Faure Tuberculosis Center; as for life expectancy, it seems shorter for them than in other professions.

The irony of ironies, while stevedores are being forced into inactivity, the companies does not hesitate to have non-stevedores working in the port, paid nearly six times as much as carry the same 50-kg sack. Union officials are therefore seeking to make the BMOD [not further identified] aware of the matter to bring an end to such unfair practices which hurt the true professionals.

These forgotten members of the work force today inhabit many of the "favelas" that were built on the outskirts of Arhiba after a clean-up program was completed by the district of the city. These improvised shelters made of cardboard just barely offer shade in most cases. Highly vulnerable to fire, these "ant hills" give their occupants no protection in rain.

The Most Thankless Jobs

What about Arhiba City, you ask? Although built officially in 1968 with the stevedores' money as a solution to their housing problems. In 1970 out of 832 housing units allocated 532 of these benefitted stevedores. They paid a monthly rent of 700 Djibouti francs for a one-room unit (F-1) to 2,000 Djibouti francs for a three-room unit (F-3). Since then, the rents have been raised periodically so that they now range from 2,000 Djibouti francs (one room) to 2,850 Djibouti francs (3 rooms). Stevedores, whose bimonthly earnings are about 6,000 Djibouti francs, therefore had difficulty paying this. As a result, they were gradually forced out. Today they occupy no more than 89 units.

The stevedores say that they perform the most thankless tasks under poor safety and health conditions. They cite as an example the handling of cement or toxic and corrosive products which they say they do without protective gear. They thus expose themselves to the effects of these substances. Conditions are even more inhuman, they add, when unloading is completed and the holds are swept out. Consequently, they are urgently demanding appropriate gear for their work (anti-skid shoes, protective glasses, masks protecting the nose and mouth against dust).

Aging Ships

In addition, they want to have regular medical check-ups again to detect professional illnesses. Some have not been examined in several years. "A stevedore who falls victim to an accident, even a fatal one, must wait hours for help to arrive. There is no emergency care unit on site, in spite of our repeated demands for one," a union official, Doran Mohamed, told us.

This state of affairs was brought out in 1981 by an ILO [International Labor Organization] expert on assignment here. In a report submitted to port officials, he recommended that a first aid unit be set up immediately. In addition, the stevedores believe that the fatal accidents that occur on ships are most often caused by worn-out handling equipment on certain, very old ships that frequent the port of Djibouti.

To prevent such accidents in the future, the stevedores hope that port officials will immediately prepare and enforce regulations requiring that before any work is preformed, the ships present a recent certificate of compliance issued by one of the international classification agents. Such a measure would contribute greatly toward improving the working conditions and atmosphere on the docks and in the holds.

12413/13068

CSO: 3419/143

GHANA

EEC FINANCIAL AGREEMENT SIGNED

AB121505 Accra Domestic Service in English 1300 GMT 12 Feb 86

[Text] Ghana and the European Economic Community today signed an agreement under which Ghana will be receiving non-payable grants to the tune of 86 million European Currency Units, about 7,000 million cedis from the European Development Fund. The agreement, which is the third phase of the EEC package under the Lome Convention, covers a 5-year period. Eighty percent of the grants will be devoted to rural areas and transport infrastructure sectors.

The secretary for finance and economic planning, Dr Kwesi Botchway, signed for Ghana. He said the projects chosen by the EEC coincide with Ghana's own priority areas for rehabilitation and development. He hoped relations between Ghana and the EEC would remain harmonious and projects would be successfully implemented.

The leader of the EEC delegation, Mr Michel (Hansworth), said rural development is very important for the economic development of Ghana and other African countries. He said the EEC appreciates the efforts of the Provisional National Defense Council and the rehabilitation program, and has been following the progress of the third phase.

/9604

CSO: 3400/1090

GUINEA

BRIEFS

NEW GOLD MINING COMPANY--Conakry, 22 Jan (AFP)--A second gold and diamond mining company called "Niandan Mining Company" (SMN--a mixed corporation) [societe miniere du niandan] was set up on Tuesday in Guinea, the Guinean Ministry of Energy and Natural Resources announced on Wednesday in Conakry. The new company, which has a \$5 million capital, will prospect on the Kiniero site, near Kouroussa (Haute-Guinea). No details were given by official sources about the importance of the deposit, nor about its grade in gold and diamond, nor on the annual production of the new company. But according to specialists, the Kiniero site is said to possess the largest Guinean gold and diamond deposits. To exploit the deposits, Guinea associated herself with three foreign partners, namely: Precious Stones of the United States of America, the Geologic and Mining Research Bureau of France (BRGM) [Bureau de recherche geologique et miniere], and the Al Baraka Group of Saudi Arabia, who own 50 percent of the nominal capital, the rest being owned by Guinea. Guinea, it is recalled, is already associated with other foreign partners in a first gold and diamond mining company, called "Aredor-Guinea" (association for gold and diamond prospecting and exploitation) [association pour la recherche et l'exploitation du diamant et de l'or] which exploits the Binko site, which is also situated in Haute-Guinea. [Text] [Paris AFP in French 1843 GMT 22 Jan 86] /9604

NEW PASSPORTS ISSUED--Well Guineans, the new ordinary passports will soon be issued. This was confirmed by (Fodemo Adala), director of Air and Border Police, when he spoke to our reporter: [Begin (Adala) recording] The government yesterday released about \$2 million in order to finance the issuance of some thousands of ordinary passports which will bear the appellation Republic of Guinea as against the previous ones which read People's Revolutionary Republic of Guinea. The former passports will be phased out in the sense that the old ones that were issued (but which have not yet expired) are still valid. Citizens should retain their old passports. Once they enter Guinea, we will withdraw the old ones. Then, if these citizens wish to travel out again, we will issue them the new passports. As for the official and diplomatic passports, they are still valid because we have not yet received the new ones. Therefore, anybody wishing to obtain an official or a diplomatic passport, should come to us with an official exit permit authorizing him to leave the country [passage indistinct]. [End recording] [Excerpts] [Conakry Domestic Service in French 1245 GMT 1 Feb 86] /9604

CSO: 3400/1084

KENYA

BRIEFS

COMMODITY PROTOCOL WITH ITALY--Nairobi, 31 Jan--The Kenya and Italian governments today signed a commodity aid protocol agreement in which the Italian Government will grant Kenya commodities worth KSHS 291.6 million. The grant includes 20,000 tons of fertilizer worth KSHS 97.2 million, 20,000 tons of rice worth KSHS 113.4 million, and 6,000 tons of edible oil worth KSHS 81 million. Italy will also grant Kenya 20 trucks and their spare parts all valued at KSHS 16 million. Kenya will also benefit from equipment valued at KSHS 129 million which Italy will grant the Kenyan Government for construction of storage facilities for the National Cereals Board. The Italian Government will also donate various goods worth KSHS 3.2 million to non-governmental organizations in Kenya. [Summary] [Nairobi KNA in English 1710 GMT 31 Jan 86] /9604

CSO: 3400/1084

MOZAMBIQUE

DOS SANTOS DISCUSSES SECURITY, ECONOMIC SITUATION

Paris REVOLUTION in French 25 Dec 85--2 Jan 86 pp 27, 28

[Interview with Vice-President Marcelino Dos Santos by Andre Brecourt: "Dos Santos Speaks"; date and place not given]

[Text] Pretoria is threatening not only South African blacks, but also their neighbors. Among them is Mozambique, whose president, Samora Machel, signed the N'Komati agreement with P. W. Botha on 16 March 1984. What is the present situation of this front line country, 20 months after the signing of these "peace and good neighbor accords?" Has South African pressure ceased? Have the activities of the National Resistance Movement come to an end? Has the Maputo regime been strengthened? It was concerning these questions that Marcelinos Dos Santos, vice-president of the Popular Republic of Mozambique, gave an exclusive interview to REVOLUTION.

[Question] The Mozambican armed forces have recently won important successes against the National Resistance Movement. Important documents found in Gorongosa provide proof that the Nkomati agreement was never respected by South Africa. Moreover, Pik Botha, the minister of foreign affairs, has acknowledged the fact. Can you sum up the present military situation for us?

[Answer] I would like to say first of all that the expression "national resistance movement" encourages confusion, because it implicitly suggests the idea of a possible alternative for Mozambique. But we must be clear on the matter. Why do we refer to "armed bandits?" Because nothing in the behavior of people who attack villages, kill, and pillage can in any way be represented as an alternative. That is why we term "armed bandits" those whose goal is to destroy.

In March this year, Presidents Nyerere, Mugabe, and Samora Machel met to combine their efforts in order to intensify the struggle against these "armed bandits." If the latter have been able to maintain a presence in many provinces, it is because of the aerial and even maritime support--we have nearly 3,000 km of coastland--that South Africa has been supplying them for many years. It was at this meeting, therefore, that the idea was conceived of launching a joint offensive against the "armed bandits" central base which was located in Gorongosa. We won a great victory. We seized important documents there and took several mercenaries prisoner. Nevertheless, many of them managed to escape and take refuge in Sofala province where we are tracking

them down. This victory marks a turning point in our struggle which we are determined to pursue to its end.

[Question] But let us return, if you don't mind, to the Nkomati agreement. When it was signed, many observers believed that Mozambique had more or less capitulated to South Africa. How exactly should the matter be viewed?

[Answer] You say many observers; I would add that many friends also did not understand the meaning and bearing of the agreement signed in Nkomati. However, Mozambique and FRELIMO [Mozambique Liberation Front] were able to present before the whole world the aspect of a people determined, united and clear as to their objectives. The accord signed in Nkomati was a means of showing that peace is a constant factor in Mozambican policy. After independence, we said peace, but some did not want freedom and independence for Mozambique. For 10 years we have been the target of multiple attacks against our national independence. It was to put an end to them that we signed this nonaggression and good neighbor agreement. Some countries, however, thought that our behavior with South Africa was not proper. In so doing, they have simply repeated or peddled South Africa's arguments: Mozambique provides the ANC [African National Congress] with bases. Everyone knows that the ANC did not wait to have camps in Mozambique before carrying on its struggle for liberation. Nevertheless, these countries know very well what were South Africa's goals and its daily activities. From an historical perspective, we can state that the signing of the Nkomati agreement was a victory for Mozambican diplomacy. Especially since, while Mozambique gave a demonstration of its desire for peace, the whole world now knows that South Africa has not respected its commitments and that it intends to pursue its policy of destabilization, not only against Mozambique, but also against other front line states.

[Question] This secret war that South Africa is waging against your country by means of the National Resistance Movement has greatly contributed to the disruption of your economy. What is the present situation?

[Answer] We do not call it a secret war, but an undeclared war, waged by the "armed bandits" which are nothing more than the extension of the South African army. Their objective was to disrupt, indeed to destroy, our economy, and they have had some success. For example, the railroad which links Beira in the north with Malawi and the Tete area as far as the Zambesi is still not operational. It is impossible to draw up a list of the destruction caused by the acts of sabotage by these "armed bandits" within the scope of this interview. Let us simply say that the most serious economic difficulties we experience today are the result essentially of their actions, much more than the result of the drought and other natural disasters.

That is why our main goal remains that of stopping the aggression of these "armed bandits." Our economic development is taking place within a war economy. Businesses had to be reorganized in this context. This means that all workers have to be trained and that they must become soldiers of production and at the same soldiers in the struggle against the "armed bandits." To fight and to produce, that is our goal.

[Question] Three years of drought have hardly made things better. What is the situation today?

[Answer] The situation has definitely improved, thanks to satisfactory rainfall in most of the provinces. But we have approximately 2.5 million people who still need international support. The struggle against the drought is carried on mainly by improving techniques and by using the appropriate technologies. We have done a great deal in this direction. The children born during this period require a lot of care, because they suffered from malnutrition during the first years of their lives. But above all we must supply the people with the consumer goods indispensable to them, and in this area we are encountering considerable difficulties. But, at the same time, we are encouraging them to produce more, particularly export products, such as cotton. From this perspective, we are presently active at the level of the family and the cooperatives with, we may say, a degree of success. But we also know that we have a long way to go before we can meet the needs of the population, especially in the area of food.

[Question] Mozambique's association with two institutions that are criticized in the Third World, the IMF and the World Bank, drew a lot of comment, as did President Samora Machel's visit to the United States. Some even spoke of an alliance switch. Could you comment on that?

[Answer] First of all, I must say that some observers have written all kinds of things on these matters. It has even been said that Mozambique wanted to encourage President Reagan not to impose any sanctions on South Africa. That we are looking for another way, that we no longer intend to be a satellite of the Soviet Union etc. All this is hardly being serious. Once and for all, the world must accept that an African state can be the master of its own destiny. We have signed cooperation agreements with many countries with different social and political regimes. These self-appointed teachers, who find nothing to criticize in Western countries, think that where we are concerned we can make no decisions at all without being under remote control by I don't know who. We act in terms of our own realities. It was in this frame of mind that President Samora Machel went to the United States, and that we have cooperated with the IMF and the World Bank. And we are under absolutely no obligation to explain why, much less to justify ourselves. These decisions are part of our sovereignty.

We paid for it dearly, and we will not allow anyone to challenge it again. We have worked out development programs which we presented to the United Nations commission and, when the experts arrived here last June, we already had some proposals to make to them.

It is within the framework of these development programs that the international community can best help us to reorganize our economy and reduce our dependence on South Africa, with which we are still forced to maintain economic relations. Where the application of sanctions is concerned, there are many who fear that the repercussions will make our situation worse. Since the proclamation of our independence, we have continued to be subject to South African aggression, and yet we are here, still standing, in a position, even after the Gorongosa victory, to win an advantage in the struggle against the Pretoria regime. In any case, what we are undergoing today cannot be worse than what we endured under the colonial regime.

MOZAMBIQUE

FINANCE, HOME TRADE MINISTRIES EXPLAIN PRICE INCREASES

Maputo NOTICIAS in Portuguese 15 Jan 86 p 1

[Text] The increase in sale prices for certain nonessential products, cigarettes and beer in particular, is basically a fiscal measure designed to cover the high expenditures of the state, in addition to updating the production and marketing costs for these products," sources at the Ministry of Finance and the Ministry of Home Trade said yesterday in a meeting with journalists. The official explanation for the recent increases came 24 hours after the publication of the documents providing for the increase in prices on the sale of certain items to the public.

In the course of the 14th People's Assembly session held in the middle of last December, Minister of Finance Rui Baltazar stated, when he presented the draft general state budget law for this year, that it calls for income totaling 19.5 million contos, which is more than a half a million contos less than the budget amount for 1985, a phenomenon occurring for the first time since 1978. Minister Rui Baltazar said that in estimating income for this year, it proved necessary to act with "great caution." He went on to say that despite this, the budget will require the approval of some measures of a fiscal nature, as well as much greater control and a more demanding approach to tax collection, such as to make it more efficient.

The 1986 general state budget approved at the 14th People's Assembly session provides for expenditures totaling 26,700 contos, representing a deficit at practically the same level as that in 1985.

The measures approved now are designed on the one hand to collect the income for which the general budget for this year provided, so as to be able to cover the expenditures of the state in such sectors as national defense, health and education, particularly the first mentioned, because of the urgency and need for actions to combat armed banditry.

On the other hand, the measures will make it possible to adjust the production and marketing costs of the projects affected by this increase, benefitting the manufacturers and the middlemen in the domestic trade circuit.

The selection of the products to be affected by a significant increase, such as beer, tobacco and other alcoholic beverages, took their nonessential nature into account.

Where soft drinks are concerned, in fact, the tax is not changed significantly, and the reason for the increase in prices is mainly to update production costs, which has not been done for 10 years.

The differentiation in the prices of soft drinks is due to the fact that there are two categories of this product. One of the groups includes the trademarked products with basically imported products, such as Coca-Cola, Pepsi-Cola and Ginger Ale, among others. The other group includes the domestic brands with lower production costs.

Where marketing is concerned, it should be noted that the new price structure in effect on the national level since 13 January last makes it possible to expand marketing circuits while maintaining the same sale prices to the public.

For example, in the specific case of cigarettes, for which the producing enterprises are also traditionally the distributors, the new price structure will make it possible, should these enterprises prove to lack the distribution capacity, to have this function exercised by other wholesale prices on prior licensing by the Ministry of Home Trade, without entailing any change in the price established.

There are some technical factors in the production of beer, such as for example the alcohol level, which are reflected in the quality of the product and are the reason for the introduction of price differentiation here.

Although the prices of bottled beer are printed on the respective labels, it should be noted that if beer should be sold unlabeled in the future, the price for sale to the public should be lower.

5157

CSO: 3442/119

MOZAMBIQUE

ELECTRONICS TRAINING CENTER TO SERVE MEDIA PERSONNEL

Maputo NOTICIAS in Portuguese 5 Dec 85 p 2

[Article by Alfredo Macaringue: "Information Technicians Study Electronics"]

[Text] The Electronics Training and Maintenance Center in Maputo has been serving technicians in the departments of the Ministry of Information since June of last year. According to engineers affiliated with it, this center, which has modern and efficient equipment, will provide the country with technically skilled personnel capable of full repairs on such electronic apparatus as televisions, radios, tape recorders and others within the near future. This undertaking, which it is estimated costs \$700,000, is the product of the cooperative relations between the Ministry of Information in our country and an Italian nongovernmental organization which operates in Africa and Latin America, known as COSV.

The Mozambican director of the center, Engineer Rufino Matos, told this newspaper that a beginning has thus been made in dealing with the shortage of personnel skilled in electronics, since courses of this type were lacking even in the schools where they should be taught, such as the Industrial School and Institute.

In a first phase, this center is accepting only workers under Ministry of Information jurisdiction. In this connection, Rufino Matos said that specialized training was provided to 21 students in the first course, which ran from June 1984 to March 1985. They came from Radio Mozambique, TVE [Experimental Television], the Mass Media Office, the National Cinema Institute and ELECTROMOC. In connection with this last-mentioned enterprise, which is involved in the production of radios and other activities requiring such knowledge, a special exception was made, in order to accept some workers for training.

The second electronics course is now under way, and the students are currently doing preparatory work, and will then take up electronics as such. Their educational level on enrollment ranged between the sixth and the ninth grade.

The schedule calls for the second course, which began last May, to end this next February. On the third floor at the Radio Mozambique premises, where the center operates, we had an opportunity to visit the most important sections,

accompanied by Engineer Matos. These sections include among others the laboratory, the secretariat, and the library, all of them provided with the modern equipment essential for proper training in this field.

Although the premises appear to be well-maintained and the equipment well-arranged, Engineer Rufino Matos said that the possibility of finding more spacious premises has been contemplated, since still more equipment is to arrive and the present premises now prove too small for the installation of more practice equipment.

Engineer Bianchini Francesco served as the official in charge and course monitor for this undertaking, representing the Italians. He works together with two other Italian engineers and a teacher of English.

Bianchini Francesco informed us that the sum of [text illegible] dollars, which had been made available for the project, was renewed when the most recent session of the Joint Mozambican Italian Commission was held this year. In addition, he announced that there are plans for this year for including pedagogical training in computers in this project.

On the subject of the importance of the school, Engineer Matos and Engineer Bianchini agreed that some of the problems we are experiencing due to a lack of knowledge in the technical sector could be resolved, since this center will produce students with the technical expertise which will enable them to do quality work.

A very important detail is the fact that the center has all of the research and consultative material which might be needed for questions which may arise in the course of the studies. Nor is the provision of outstanding equipment for testing in the practical classes unimportant. In this connection, the modern panel for training in television operation was mentioned. It can be used, among other things, to simulate television breakdowns, so that the student can then find the problem.

In explanation of the fact that this center also performs maintenance, Engineer Matos said that repairs are done there on some of the equipment of the Ministry of Information agencies, as an integral part of the training process.

It is on this basis, Engineer Rufino Matos stressed, that this center will contribute to teaching individuals to repair and maintain electronic equipment, in a project which is still in its initial stage.

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CSO: 3442/85

MOZAMBIQUE

VICE MINISTER TOURS NIASSA PROVINCE AGRICULTURAL UNIT

Maputo NOTICIAS in Portuguese 5 Dec 85 p 3

[Text] Vice Minister of Agriculture Francisco Joao Pateguana completed a working tour of the province of Niassa last Friday.

During his visit to this northern region of the country, this People's Republic of Mozambique Government official worked with the provincial bodies under the jurisdiction of his ministry to learn about the work in progress there within the context of implementation of the programs for this farm season.

In addition to meeting with the Provincial Agricultural Leadership Collective, expanded to include the directors of farm enterprises in Niassa, Joao Pateguana visited the Matama Farm Enterprise, the Licole State Production Unit, which is a part of the 400,000-Hectare Project, and the Lichinga Agronomical Station, where a Yugoslav team is currently pursuing a test project for the improvement of seeds.

The vice minister of agriculture also visited the communal settlement of Lussanhando and its farm cooperative, and the property of private farmer Luis Ferreira, where he was impressed by the work in progress there, mainly involving the cultivation of bananas.

During his visits, Francisco Joao Pateguana learned about the difficulties encountered in the farming process, a great part of which are due to the lack of equipment and production elements, both in the state enterprises and in the private sector in the province.

At a meeting with private farmers in the Lichinga district and city area, Francisco Joao Pateguana recommended the use of local resources, wherein alternatives should be found to deal with problems such as the shortage of fuel, fertilizers and other production elements.

Before he departed to return to Maputo, the vice minister of agriculture also met with the directors of the farm enterprises, and paid a visit to the commander of the province of Niassa, Major General Mariano de Araujo Matsinha. On Friday morning, Francisco Joao Pateguana met with the Niassa Province Farm Leadership Collective to assess the results of his visit to that part of our country.

5157
CSO: 3442/85

MOZAMBIQUE

LUCHERINGO PARTY DISTRICT COMMITTEE ELECTED

Maputo NOTICIAS in Portuguese 5 Dec 85 p 3

[Text] A party district committee made up of 34 members was recently elected in Lucheringo, in the province of Niassa.

The election took place during the first special party conference held in that district, within the context of the implementation of the plan for establishing basic party organs, a task assigned priority at the last Niassa provincial committee session.

The establishment of basic party organs in that district began early last September, with the holding of a party district seminar. It took up the documents drafted to guide the process, among other things.

At the conclusion of the seminar, four brigades were established to dynamize and revitalize the party cells and the dynamization groups on the base level.

As was stated in the evaluation report of the activities carried out during the preparations for this gathering, designed to revitalize the basic organs of the party, the work of the brigades culminated in the election of delegates and guests to the local conferences.

Within this context, the document said, the party committees for the localities of Luchimua and Unango were elected during the party conferences, which were held simultaneously last 19 and 20 October.

This same document said that the Unango Farm Enterprise already has its circle committee, following the electoral conference which was also held last October.

The new party committees which have been elected have already held their first working sessions, during which the respective secretariats were elected and specific tasks were assigned to each member.

Contributions to the Conference

The contribution made by the people of the district of Luchiringo in support of the First Extraordinary Party Congress, held in that locality in the Province of Niassa, came to about 20,000 meticals and 3 tons of corn.

Of this total contribution, 4,000 meticals came from the mass democratic organizations and the defense and security forces stationed in the district.

The total was presented, in the course of the conference, to the secretary of the provincial committee for party mobilization, Fernando Jorge, who heads the brigade appointed by the provincial committee to support the establishment of the basic party organs in that district.

Also, their respective party committees and secretariats were also established recently in Messumba and Tulo, the seats of the Lunho and Mepochi localities in the district of Lago.

These activities fall within a vast program for the revitalization of basic party structures which has been pursued recently by the district committee brigades of the FRELIMO Party in Lago. This effort also involves the cadres of the mass organizations and the defense and security forces in that district.

These activities have been carried out with a view to implementing the guidelines established by the commander of Niassa Province, Major General Mariano Matsinha, during the visit he paid to the district of Lago in November of last year.

It will be recalled that the new locality of Mepochi, with its seat in Tulo, was established thanks to its merger with the Chissindo circle, while the locality of Lunho was created with the separation of the Messumba circle from the locality of Metangula, of which it was formerly a part.

5157

CSO: 3442/85

MOZAMBIQUE

QUELIMANE ENTERPRISE PROVIDING 'GOOD' BUS SERVICE

Maputo NOTICIAS in Portuguese 5 Dec 85 p 3

[Text] The Urban Public Transport Enterprise in the city of Quelimane has reported with satisfaction that during the first 5 months of its operation it responded substantially and positively to the needs which led to its establishment in this part of the country. "The vehicle maintenance effort, as well as the strict discipline of the workers, have ensured the rapid growth of the enterprise. However, there is much still to be done to make us more efficient," the official in charge of traffic, Jaime Ganze, said in speaking of the development of the work at this Quelimane transportation enterprise.

Maintenance of the fleet of eight buses is regarded as very good. This is ensured by the systematic preventive maintenance work done regularly every 2,000 kilometers. Maintenance, which involves preventive and routine lubrication and change of oil, as well as the tightening of belts, is being scrupulously carried out by the workers in the sector. In the first 4 months of the activities of this enterprise, more than 845,000 passengers were transported and 175,000 kilometers were traveled.

It will be recalled that this enterprise was established to alleviate part of the problems encountered by the workers in reaching their labor posts on time, as well as those of the peasants, whose farms are 10 or 20 kilometers from the city.

The rate charged by the TPU enterprise on its various lines is 10, 20 or 30 meticals. However, because of the need to provide aid and assistance to students, a special rate of 2.5 meticals was introduced.

5157

CSO: 3442/85

MOZAMBIQUE

DROP IN RIVER LEVEL FACILITATES WATER TREATMENT

Maputo NOTICIAS in Portuguese 11 Jan 86 p 8

[Text] With the gradual drop in the level of the water in the Umbeluzi River following the recent rains which fell in Maputo, as well as the basin of this river, it is expected that, beginning next week, there will be a substantial improvement in the conditions for water treatment at the Umbeluzi water catchment and treatment station. This may be reflected, moreover, in the gradual elimination of the limits on the water supply imposed because of the current difficulties, which caused a reduction of 60 percent in treatment capacity. This information was released by the directors of the Water and Sanitation Office and the Agua do Maputo enterprise, Frederico Martins and Miguel Alves, respectively.

When the situation is normal, the Umbeluzi River water reaches the 1.80-meter point. The measurements made in recent days showed 2.10 meters on Wednesday and Thursday and 2 meters yesterday.

While the water level is at 2 meters or more the speed of the current is also greater and this is also linked with clouding. As a result of this phenomenon, water treatment conditions are difficult, since in its movement at great speed, the water takes with it mud and other types of debris.

It is important to note, this information provided to our reporter indicates, that the analyses of the cloudiness show that last Thursday, there were about 3600 milligrams of particles in suspension or impurities of various types per liter, while by yesterday there had been a drop to 2400 milligrams per liter.

The director, Frederico Martins, explained to us that the greater the clouding, the more difficult treatment conditions become, since greater care is required for purification, while on the other hand, the intake process, from the stage of adding chemical products through decantation and filtration, is also slowed, requiring extreme care above all.

Further concerning this last aspect, the head of the catchment and treatment station, Domingos Chonaldo Guiamba, told us that because of the situation caused by the clouding, two workers have been assigned to work in the laboratory. "One will check on the filtration and decantation processes, and the other will do the normal laboratory work. It is important to mention also

that, because of the clouding, the filters have to be cleaned frequently. Under normal conditions, for example, they are cleaned every 24 hours, while now this is being done every 8 hours," Domingos Guiamba told us.

Reduced Capacity

Currently we are taking in 3,000 cubic meters per hour, while in that same period of time, 1,500 cubic meters can be treated. For city consumption, 36,000 cubic meters of water are normally pumped, and 18,000 cubic meters are kept in reserve," Frederico Martins, the director, explained to us.

It is because of these facts that the Maputo water enterprise decided to impose limitations on the water supply, since the current water treatment capacity cannot provide more. The elimination of these limitations depend, as has already been said, on improvement in the treatment conditions. Needless to say, the restrictions imposed have had a number of consequences. In recent days it has become common to see a Maputo citizen going in search of water, container in hand.

As to other levels, we could mention here factories where the management has experienced difficulty in resolving production problems.

Talking with Estevao Mahumane, head of the Firefighting Section of the Public Rescue Body, we learned that in recent days, that organization has been besieged by a "hail" of requests from various factories, production centers, residences and other sectors of social life in the city for a supply of water.

"Among the requests in our possession, I might mention here by way of example those of the 2M, the margarine factory, the swine breeders in the Costa da Sol zone, the INCOL, A. Dias Coelho, ISOTAL and all of the factories located on the Avenue of the FPLM [People's Forces for the Liberation of Mozambique]," this official explained to us.

Our reporter also learned from the same source that it has not been easy to meet the requests promptly because of transportation problems. In fact, according to Estevao Mahumane, there are only two vehicles for satisfying this type of request.

As the city is divided into four zones, the firemen would have to have a minimum of six vehicles, one for each of the four zones and two for the factories.

This same source expressed regret, on the other hand, that many people do not understand that as long as restrictions on supply remain in effect, the firemen too are affected. "If people understood this, we would certainly not receive so many requests," he said in conclusion.

5157

CSO: 3442/119

MOZAMBIQUE

COOPERATIVE SCHOOL TO BE ESTABLISHED IN BEIRA

Maputo NOTICIAS in Portuguese 16 Jan 86 p 3

[Text] Plans call for a cooperative school to begin operation in the city of Beira by the end of the first quarter of this year. It will offer courses for the workers in the consumer cooperatives in that city. The school will be established at the Agostinho Neto cooperative located in the Munhava zone. According to a source at the National Coordination Commission which works with these economic and social units, preparations are currently being made for the material facilities needed to carry out the program.

The decision to establish a cooperative school in the second largest city in the country dates back to 1984. Although a date was set at that time for the beginning of classes, material difficulties prevented realization of the plans.

The need to create a school operating in a cooperative is dictated by the current difficulties these units face, particularly where management is concerned. As the bodies directing the cooperative movement in the country describe it, the establishment of this cooperative school will provide a base for beginning the intensive training of the workers in the sales outlets of these cooperatives.

The initial program established by the National Coordination Commission provides for the establishment, on the basis of the experience which will be gained from the operation of the cooperative school in Beira, of identical facilities in the other units located in various parts of the country.

This will make it possible to supplement the training programs which have been carried out with the offering of short training course for their workers in each cooperative.

It will be recalled that the Fourth FRELIMO Party Congress defined cadre training for the consumer cooperatives as a priority task, and one to be carried out immediately by the state in order to overcome the problems of a technical-organizational and administrative nature they are facing.

In the specific case of Beira, the implementation of the plan for establishing this cooperative school is being based on the use of existing conditions,

particularly where infrastructures are concerned. It is also pointed out that the organizational level of the Agostinho Neto cooperative is regarded as among the highest, and therefore it meets the requirements for a school of this kind.

The courses to be offered at this cooperative school will be taught by members willing to pass on their knowledge.

Program Advantages

The creation of cooperative schools in our country which will involve the cities of Beira and Maputo in an initial stage. Depending on the results achieved during this first undertaking, this activity may be extended to other parts of the country.

The advantages of the project lie in the fact that no major investment is required to implement it, either in terms of installations or personnel to teach the classes.

The organization of this type of training center will be the responsibility of the social bodies of the cooperatives, with the state--the National Coordination Commission--assuming the responsibility for providing the materials necessary for the desired undertaking.

Concerning this last aspect, Jose Meque, the director of the National Consumer Cooperative Coordination Commission, told our reporters that some furnishings have already been purchased, while on the other hand, teaching materials are being prepared.

5157

CSO: 3442/119

MOZAMBIQUE

BRIEFS

LISBON ECONOMICS COURSE (ANOP)--Ten economists from Mozambique and Angola began a refresher course for economists on Monday at the Portuguese Catholic University in Lisbon. The course, which will end on 24 January, was organized by the Applied Studies Center at the Portuguese Catholic University, with 52 students enrolled. It was designed for students with degrees in economics or related subjects "interested in reviewing basic knowledge." The course includes four modules, with teaching specialists at the Catholic University responsible for each one. The first, which will cover the microeconomy, industrial organization and the business enterprise in Portugal, is being taught by Professor Antonio Sousa and engineer Amado da Silva. The second module, which will cover the main lines in the development of the Portuguese economy, will be taught by Professor Alfredo de Sousa, and the third, on the macroeconomy and national economic policy, will be taught by Silva Lopes. The fourth and final module, in which international relations and the international economic situation will be analyzed, will be presented by Professor Braga de Macedo. The enrollment of the 10 economists, six from Angola and four from Mozambique, was arranged by the SERGA, an enterprise which works with official bodies and enterprises in the Portuguese-speaking African countries. Certificates of participation will be presented to the students at the end of the course. The SERGA has planned for a subsequent course at the Catholic University to run from 25 January to 1 February for Angolan and Mozambican economists exclusively. It will cover subjects such as management, organization and data processing. [Text] [Maputo NOTICIAS in Portuguese 15 Jan 86 p 8] 5157

MACANGA REQUESTS WEAPONS--The people of the district of Macanga in the province of Tete have asked the local administrator for weapons and military training so that they can defend themselves against the armed bandits. According to statements made by Joaquim M'Piuca, the administrator, the people have been coming with this request to public meetings and the places where they sometimes gather to seek refuge from the bandits. In an interview with our reporter in Tete, the administrator in Macanga said that the desire of the people in making this request is to reestablish peace and calm in this district in the province of Tete. A large number of workers in the party and state apparatus have already received training in Macanga, M'Piuca said. Fearing a shortage of food, the people of Macanga prefer to remain in their zones of origin, some of which are rather fertile, but they nonetheless seek better safety conditions. According to Administrator M'Piuca, the last farm

year was not one of the best, due to the constant movement of the people because of the varying security situation caused by the armed bandits. "We began to clash with the enemy physically at the end of March. The armed bandits infiltrated our district through the localities of Chidzolomondo and Cazula. Because of their presence in these zones, there was not enough calm for the people to produce as they should. The situation did not reach major proportions solely because the bandits panicked and fled to avoid clashes with the armed forces," the administrator added. According to that Macanga district leader, the need for additional supplies of foods of first necessity and clothing is beginning to be felt. The marketing campaign recently carried out in that zone shows that the product volume is inadequate, and unless urgent steps are taken the situation could become extremely serious. "We cannot survive on local production alone," Administrator M'Piuca commented. [Text] [Maputo NOTICIAS in Portuguese 10 Jan 86 p 8] 5157

ITALIAN MUNICIPALITY TO INVEST--The Italian municipality of Reggio Emilia has indicated a desire to undertake a series of development projects in the city of Pemba, covering the farm production, small industry, drainage and sanitation sectors. Where small industry projects are concerned, the municipality of Reggio Emilia will finance the establishment of small plants for the production of soap and cooking oil, the polishing and marketing of shells and the development of ceramics. These projects resulted from the talks between the president of the Executive Council of Pemba and the president of the municipal chamber of the town of Reggio Emilia, held during a visit paid by Simao do Rosario Napica to Reggio Emilia in the middle of October. Other aspects which will be carried out in accordance with the decisions made during the visit paid by the president of the Executive Council of Pemba will include the establishment of an emergency fire brigade, drainage of the city and the establishment of a permanent sanitation department. With regard to this last project, the Mozambican delegation had an opportunity to talk with an urban maintenance equipment enterprise in Reggio Emilia. According to the president of the Executive Council of Pemba, Reggio Emilia will organize a campaign of solidarity with the people of the city of Pemba. It will involve collecting donations of medicines, medical-surgical equipment, clothing for children and adults, footwear and foodstuffs. These gifts will be transported to the city of Pemba by a solidarity ship which will sail from the port city of Ravenna in March or April of next year. [Text] [Maputo NOTICIAS in Portuguese 30 Nov 85 p 3] 5157

CSO: 3442/85

SENEGAL

PROBLEMS WITH NEW FARM POLICY EXAMINED

Dakar WAL FADJRI in French 27 Dec 85 pp 12-14

[Article by Amdiatou Koundour: "The NPA According to Bator Diop"]

[Text] Incoherencies and inadequacies are the two characteristics of the New Agricultural Policy (NPA) as it is put into application. There is one person responsible for these problems, the minister of rural development, who wanted to go it alone. That at least is the point of view defended by Amdiatou Koundour in this new column in which the authors are solely responsible for the opinions expressed.

Resolving the problems of the rural community has always been a concern of About Diouf's. Thus 7 months after his appointment to the position of prime minister, he published amendment No 37 of 10 September 1970.

Then, having become president, Abdou undertook the evaluation of the activities of the rural community and, going from ad hoc committees in interministerial councils, he decided to elaborate a New Agricultural Policy (NPA), drawing up its policies as follows himself:

- 1) To decide on actions and programs capable of guaranteeing our country self-sufficiency in food.
- 2) To develop application strategies that would involve the participation of members of the rural community in identifying and carrying out production goals.
- 3) To develop a methodology for assistance which would induce the rural community to take real responsibility for determining and administering their own well understood future.

It should be pointed out that while President Abdou Diouf defined the policies of the NPA, the latter was worked out by the Ministry of Rural Development (MDR), which was solely responsible for the elaboration and application of this NPA. This detail seemed necessary in order to remove the ambiguities to which some appeal so as to have their mistakes and failures accepted. We affirm that the perfectly clear policies defined above by Abdou Diouf conform perfectly to the needs of the moment, and truly answer to the aspirations of the rural community. But what then of the implementation of the methods of

application of these policies by the MDR? That is the big question.

In the following lines, we will try to determine what may be called the problem areas of the New Agricultural Policy, i.e., to point out:

The inadequacies (fickleness?) stemming from the procedures used by the MDR for establishing methods of applying the policies.

The gaps and incoherencies arising from the unprepared procedures of the MDR which has failed to arrive at a proper method of applying the president's policies.

Methods

But before making a number of observations elicited by the actions of the Ministry of Rural Development, it should be noted that the latter was to observe the principle of the participation of all national authorities, indeed was to bring together the widest possible association of the country's active forces in reflection and analysis in order to determine what solutions, which cannot be simply presumed, could remedy the situation. But despite the clarity of the president's directives, the determination of the methods of application was not open to all who were willing to contribute.

Yet the organized cooperation of the cadres was not superfluous! More than that, it was a duty and moral obligation. That is why we understand the reactions, all of them legitimate, of CERDAS (Footnote 1) (Study and Research Center for the Agricultural Development of Senegal) which, in a document dated 11 July 1984, wrote: "CERDAS was disturbed by the circumstances in which the NPA was prepared." Then, the same document added, "it is deplorable that the document prepared by the MDR is far from being a joint work by the department's technicians." It should be observed that these cadres who form part of CERDAS were motivated solely by the completely worthy desire to respond to the president's appeal, so that each could contribute to the necessary changes.

In the CERDAS document, the following reservations are set forth: "In fact, the weaknesses that can be discovered and that are still being discovered in the present official definition of the NPA arise mainly from the lack of participation of the MDR's experts."

These observations lead one to think that the principles of openness and participation have not moved past the MDR's front door. Why then has there been this ostracism? What are they afraid of? What are they hiding? And why are they secretive about working out the methods of application of the president's clear directives for establishing a credible NPA?

Blunders

Any credible and effective NPA that would mobilize people depends first of all on the participation of the country's active forces for its elaboration; i.e., in accordance with the model of the Education States General. That is not being idealistic because mere common sense points in that direction. Moreover, Khalifa Sall, a Young Socialists official, opportunely noted this when he

asked a question of the minister of rural development. But alas! They continue to ignore organized, nonpolitical movements such as ASIAS (Footnote 2) (Senegalese Agricultural Engineers Association), CERDAS, and SDTS (Footnote 3) (Democratic Union of Senegalese Technicians). The CERDAS document quoted above pointed out that not even all the department's supervisory staff were consulted. And if at the stage where practical methods are being determined for applying the president's directives there is not even an attempt to involve all the department's supervisory staff, one may therefore question the validity of this NPA. What significance can it have? And what scope can it have?

All the same, one should avoid stirring up frustration among the cadres which will eventually be responsible for executing the NPA. If all the cadres had been involved, they would certainly have avoided the blunder of presenting a document in which stockbreeding is not even dealt with. It is hard to accept this omission. And it is all the more unpardonable in that the principle of the integration of agriculture and stockbreeding is at once the objective, means, and condition for the success of any serious new agricultural policy. The truth is that the weaknesses, incoherencies, and gaps in the NPA document arise from the fact that the latter was the work, or rather the product, of "my" cronies!

After the definition of the NPA policies by President Abdou Diouf, the basic question demanding an answer should have been that of how to establish a system of organization, before setting in motion the process of the participation of all men of good will. And that without excessive breeziness or diverting chatter. The humble, discreet, effective and frank style of President Diouf should inspire all officials (ministers and managing directors).

Activities

We think, and continue to believe, that the process of the participation of cadres in defining the methods of carrying out the NPA was a prerequisite and a necessity. That would have facilitated both the loyalty and commitment without which one may fear a repetition of the mistakes and deviations of the past. And that would be a pity! It may be recalled that many of the failures of the past can be explained by the strong tendency to improvisation that was current. There was neither clear action nor a coherent methodology. Anyone could be anything and do anything, anywhere, and at any time! And even any old how!

Yet a sound, correct understanding of the president's directives for an NPA called for ordered, open, and well thought out procedures. But also a democratic approach which does not exclude objective criticism of the national situation was necessary for:

Identifying the nature and causes of the obstacles and difficulties and,

Placing responsibility where it belongs without concern, moreover, about naming former depredators and destroyers of the rural sector.

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CSO: 3419/186

SIERRA LEONE

BRIEFS

ANTI-HOARDING SQUAD FORMED--Freetown, 13 Feb (AFP)--A special squad to check on hoarding and profiteering in essential commodities in Sierra Leone was set up here Wednesday. It is empowered to enter and search any premises where controlled goods are being kept contrary to the law, and it will be an offence to obstruct the squad's work, the government said. Following recent moves to control the prices of basic commodities, merchants have reportedly been hoarding stocks of rice, the nation's staple food, and palm oil. The measures are part of radical economic reforms pledged at his inauguration last month by the new president, Major-General Joseph Momoh. [Text] [Paris AFP in English 0750 GMT 13 Feb 86] /9604

FRANCE DONATES IVORIAN MAIZE--Paris, 6 Feb (AFP)--France has granted Sierra Leone a new food aid of 1,500 tons of maize from Ivory Coast, it was learned on Thursday from the French Ministry of Cooperation and Development. An agreement to this end--the first of its kind in triangular aid--was signed Wednesday by Christian Nucci, French minister of cooperation and development; and Suffian Kargbo, Sierra Leonean minister of agriculture, natural resources, and forestry who is currently participating in the international conference on trees and forests, SILVA. This aid is in addition to the 3,000 tons of wheat granted by France to Sierra Leone during Mr Nucci's visit to Freetown on 29 January 1986. During his talks with Mr Nucci, Mr Kargbo stressed that food self-sufficiency remains his country's major objective. [Text] [Paris AFP in French 1328 6 Feb 86 AB] /12712

CSO: 3400/1069

SOMALIA

DFSS OFFICIAL'S ANNIVERSARY ADDRESS URGES UNIFIED STRUGGLE

EA101340 (Clandestine) Radio Halgan in Somali to Somalia 1700 GMT 9 Feb 86

[Excerpts] Dear listeners. Welcome to a special program on 7th anniversary of the inception of the Somali opposition forces. To present the program, here is 'abd al-Rashid Adan Sid:

Dear listeners. Once again we welcome you to Radio Halgan. In our special program tonight, we mark the 7th anniversary of the Somali opposition forces, which declared and launched an armed and political struggle against General Siad Barre's regime in Mogadishu. After 9 years of misrule in Somalia by Siad Barre and his henchmen, part of the Somali community decided on 8 February 1979 to start the armed struggle to rescue the Somali people from Siad's misrule. The first Somali opposition force was the Somali Salvation Force. It was the forerunner of the Democratic Front for the Salvation of Somalia [DFSS]. In tonight's special program Muhammad Abshir Walde, acting chairman of the DFSS wing of the Somali opposition, is here to address the Somali people.

[Begin Abshir Walde recording] Tonight, we mark the 7th anniversary of the inception of the DFSS and Radio Kulmis, which has since been renamed Radio Halgan. I greet the fighters of the Somali opposition forces and other Somalis, wherever they may be.

The need to liberate Somalia from Siad's misrule is today far greater than it was 7 years ago. We know, and the Somali people know, that Somalias security, political, economic, and social situations are in a deplorable state today. The Somali people see that their only hope of salvation lies with the Somali opposition forces.

You know that we have struggled and continue to struggle to bring peace to the Horn of Africa, the African continent, and the world at large. We have often been asked or vehemently criticized on the methods and ways by which we struggle. Some people ask why we did not seek to bring about change in Somalia by peaceful means. We assure them that we tried, but failed. We know that the answer to Somalia's problem might have been found by a roundtable conference, but we know, Somalis know, and the world at large knows, that Siad captured the leadership of Somalia at gunpoint, and that is the only way to recapture it from him. We know that the only way to wrest rule from Siad Barre is at gunpoint.

As for our successes, although we have not wrested the rule of Somalia from the dictatorial regime of General Siad Barre--and you know in that whatever setback we have encountered the Somali people have a part to play--we have won major victories. We have managed to force the regime to stop the wanton massacre and pillage of the Somali people. We have forced the regime to empty its torture chambers throughout the country. Many Somalis have today regained their freedom by virtue of the pressure brought to bear by the Somali opposition forces. Many Somalis who would have been behind bars are free today because of pressure from the Somali opposition forces. We know, and all Somalis know, that the few human rights Somalis enjoy exist due to the pressure brought to bear by the Somali opposition forces on the dictatorial regime of Gen Siad Barre.

We sought to obtain peace in the Horn of Africa and now Siad Barre claims to have masterminded it. Surely everybody knows that this is the result of pressure from the Somali opposition forces. But we are aware, and know, that Siad Barre will handle the peace talks very badly. We admit failures arising from the inexperience of armed struggle on the part of many of our fighters. We admit our political and military failures. Had we been more experienced we would have handled matters better. We admit that the unification of the Somali opposition forces did not take place as was required in the very early stages, and that it still has not materialized.

The greatest setback to the armed struggle of the Somali opposition forces came from the urban Somalis, who supported the enemy directly and indirectly. They failed to demonstrate; failed to strike against the regime; failed to react to the soaring prices of essential commodities; failed to react to the massacred and pillage launched against the Somali people. They failed to act like the people of Sudan, Iran, Haiti, Tunisia, Morocco and Egypt. They failed to react when the country's educational system was completely destroyed. They failed to stop their children from being pressed into the army: They went as far as buying their children out of the army camps. They even bargained over the price for releasing their children. Parents often go to the army camps, saying: Please drop the price today as I paid so much last time. They even financed the war machinery of dictator Siad Barre with gifts of cash and livestock. They failed to unite. They failed to act collectively or individually against the dictator Siad Barre. They could not raise among themselves one person prepared to sacrifice his life. We know that a few made such an attempt, and are now behind bars, but the majority of the urbanites failed to play their patriotic part against Siad.

As for the role of the Somali armed forces, we know you have no love for the Siad Barre regime. We know you do not wholeheartedly wish to defend or fight for his dictatorial regime. We know you are worried about Somalia's future. We know you do not wish to take part in the ongoing civil war. We know you want the overall situation in Somalia to improve. We know the state of the Somali army. We know your salary cannot buy even a sack of charcoal. We know your parents and children are languishing in refugee camps. We know you cannot feed your own children. We ask you to wake up. We ask you to wake up and understand your role and responsibility, both individually or collectively. We say: Let us trust one another. We ask you: Let us struggle for the liberation of Somalia.

We are not asking you to throw down your weapons and cross over to our side, but that you wage the struggle from where you are: We will do likewise. We will monitor your role, and you do likewise. We call upon you to struggle, like us, in the interests of Somalia. Somali armed forces, the general public, and the Somali opposition forces; Let us all unite.

/12712

CSO: 3400/1060

ZAMBIA

KAUNDA TELLS SWAPO'S NUJOMA NAMIBIA MUST BE LIBERATED

MB051213 Lusaka Domestic Service in English 1115 GMT 5 Feb 86

[Text] The president, Dr Kaunda, has said the struggle for the liberation of Namibia must be won in spite of the difficulties in the southern African subregion.

Speaking at State House when SWAPO President Sam Nujoma called on him this morning, Dr Kaunda said the turn of events in the subregion has created a barrier for SWAPO freedom fighters, but they must persevere until Namibia is liberated. He said the new situation, in which the United States has openly supported UNITA rebels and the presence of South African troops in Angola, makes it difficult for SWAPO freedom fighters to fight the enemy. Dr Kaunda said, however, that there must be only one [word indistinct] in this just and right struggle and this is for the racist policy of apartheid and colonialism.

The president told Mr Nujoma that the whole world supported SWAPO's struggle for the liberation of Namibia. He said the installation of a puppet regime in Namibia by South Africa has been condemned by the progressive forces of the world because they were all working on the basis of United Nations Resolution 435 which called for Namibia's independence.

And Mr Nujoma said that his organization will intensify the armed struggle for the liberation of Namibia. He said SWAPO is determined to intensify her fight in all areas of the country until the puppet regime installed by Pretoria was ousted and freedom granted to the people of Namibia. Mr Nujoma said although the struggle will not be easy because the regime in its desperation has also intensified the suppression of the people of South Africa and Namibia, SWAPO was encouraged by the ever-increasing area of Africa liberated. He said the people of Namibia were encouraged by President Kaunda's words at the opening of frontline states and EEC foreign ministers' meeting when he made it clear that Africans will not rest until the yoke of colonialism was removed and apartheid destroyed in South Africa. The SWAPO leader expressed his profound thanks to the party and its government for its total commitment to the cause of the liberation of the continent in general and the people of Namibia in particular.

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CSO: 3400/1067

ZAMBIA

MEMBERS OF PARLIAMENT WARN OF POLITICAL TURMOIL

Lusaka TIMES OF ZAMBIA in English 30 Jan 86 p 1

[Text]

FOUR members of Parliament warned of looming trouble in Zambia if the economy continues to decline.

They implored the Party and its Government to put more effort to reverse the present economic trend.

They were contributing to the debate on the motion of thanks to President Kaunda's opening address to the current session of the House which ends tomorrow.

Mr Job Michello (Monze) criticised the decision to withdraw personal-to-holder cars from leaders, saying this would backfire because other vehicles would have to be bought as pool cars for hire by Government ministers.

He also criticised the foreign exchange auction system which he said was not serving any purpose. "There will be a violent change in Zambia, not a peaceful one because of the auction which is making life unbearable for the people."

Mr Dawson Lupunga (Masaiti) said the Government was not serious with its agricultural policy otherwise it would not bring in expatriates to

improve the efficiency of the mining industry and pay each of them K125,000 for six months at the expense of farming.

He suggested that the State should borrow K500 million and pump it into the Zambia Agricultural Development Bank for the improvement of the agricultural sector.

Mr Yona Phiri (Mandevu) condemned the auction of foreign currency and warned that this "will bring about trouble in Zambia. These problems are inevitable."

Mr Palakasa Chiwaya (Chililabombwe) expressed "shock at what is happening in Zambia today," where the people had become beggars in their own country—21 years after Independence.

He attacked what he called rampant corruption and indiscipline.

"Unless the rule of law prevails in this country we are bound to suffer unless the political and economic system is checked, we are bound to fall into problems that have befallen other Third World countries, especially in Africa."

/9317
CSO: 3400/1065

ZAMBIA

PARLIAMENT ON IMF DEBT, COSTS OF FOREIGN WORKERS

Lusaka ZAMBIA DAILY MAIL in English 30 Jan 86 p 5

[Text] Zambia's debts to the International Monetary Fund (IMF) stood at 740 million dollars as at July 31st last year, Parliament heard yesterday.

Minister of Finance and National Commission for Development Planning Mr Luke Mwananshiku told the House that the country's indebtedness to the IMF was spread over a period of five to seven years.

Mr Mwananshiku said this in reply to a question raised by Chizela MP, Mr Mulondwe Muzungu who wanted to know the country's indebtedness to the organisation as at that period.

The minister said Zambia did not have any fresh agreement with the IMF at present but was negotiating for one.

Answering a supplementary question from Mr Muzungu, Mr Mwanashiku further said Zambia had benefited from borrowing from the IMF in that the country had received foreign exchange and it had also been given ample time to repay through rescheduling.

He said Zambia did not borrow from the IMF until in 1974 when the economy of the country started weakening.

Asked by Chembe MP, Mr Ernest Chlwama whether the country did not have enough Kwacha in circulation, the minister replied that there was enough of it.

And Zambia remitted a total exchange of K102,844,122 equivalent to 69,299,902 dollars in foreign exchange outside the country between January 1st 1982 and July 1985 for expatriates working here.

The figures were disclosed by Minister of State for Finance and National Commission for Development Planning Mr Mbambo Slanga in Parliament when asked by Nchelege MP Mr James Mubamba.

Between January 1982 and July 1985 there were 1,633 expatriates who renewed their work permits in the mining sector, 840 in the public, 1,259 and 2,639 of them in the parastatal and private sectors respectively, said the Minister of State for Labour and Social Services Mr Richard Banda.

Mr Banda was answering another question raised by Mr Mubamba.

Earlier, Mr Sianga told the House that the government was tightening screws in its internal control to stop loss of property.

He was replying to a question raised by Malole MP Mr Rennie Chikonkolo who wanted to know the number of cases involving loss of public funds and property which were reported to the ministry between 1982 and 1984.

He said there were 567 cases involving missing stores, 1,750 involving damage to government property and 255 involving burglary.

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CSO: 3400/1065

ZAMBIA

IRELAND PLEDGES INCREASED ECONOMIC AID

Lusaka ZAMBIA DAILY MAIL in English 25 Jan 86 p 1

Text]

THE IRISH government yesterday, pledged to double its aid to Zambia over the next three years.

The country's new ambassador to Zambia Miss Mary Tinney said at State House in Lusaka when she presented her credentials to President Kaunda, that the aid would be directed at education, civil service training and agriculture.

Other areas included in the aid package are export and water development, industry and health.

Miss Tinney said Zambia was one of the four priority countries for her country's bilateral aid. "We would hope that the experience and expertise of Ireland in institution building and in economic development could be made of benefit to Zambia."

Ireland, she said, had a special understanding of the difficulties and frustrations of developing countries and the problems in-

herited by new states whose pre-independence economic development took place without consultation of the majority of the population and often without their interests and their future in mind.

"Economic development in Zambia has, we know, been made more difficult by events outside its own control such as the falling price of copper, the economic disruption arising out of the independence struggles of neighbouring countries and the continuing conflict in other parts of the continent of Africa.

President Kaunda said in reply that the bilateral relations between the two countries did not come by accident.

He thanked Ireland for the support it has rendered to Zambia adding that people from that country who have come to work in this country were instrumental

in helping Zambia shape her policies.

He commended Ireland's stand on Southern Africa.

Earlier when he received credentials from the new Apostolic pro-Nuncio to this country, Archbishop Eugenio Sbarbaro, Dr Kaunda said Zambia and the Vatican enjoyed very warm relations.

He praised the Catholic Church for its role in Zambia's health, education and economic sections.

Archbishop, Sbarbaro said Dr Kaunda's attachment to the Christian faith and his constant reliance on God to whom he made frequent references were all a source of deep satisfaction to the Holy See.

Pope John Paul II was aware of the freedom the church enjoyed in Zambia.

Dr Kaunda later said Zambians were looking forward to the day when the Pope would visit this country.

/9317

CSO: 3400/1066

ZAMBIA

PROGRAM ADOPTED TO BOOST COFFEE OUTPUT

Lusaka ZAMBIA DAILY MAIL in English 27 Jan 86 p 3

[Text]

MPONGWE Development Company is set to boost coffee production and has embarked on a three-year expansion programme to plant 400 hectares of coffee by 1988, general manager, Hector McKilligan, said in Luan-shya at the weekend.

Mr McKilligan said that the 600,000 coffee plants President Kaunda saw when he visited the company's Nampamba Farm in Ndola Rural last year have been planted on 100 hectares.

He said another 800,000 plants would be transplanted later this year.

He said the project would provide employment for 3,000 casual workers.

"We are getting into very big business. All our crops are doing well and we should be much better when the area is electrified this year," he said.

Mr McKilligan is already operating from the farm and staff will soon move to the farm site leaving only a skeleton staff at the Ndola office.

Meanwhile, the International Coffee Organization

(ICO) has approved the minimum requirement for monitoring coffee exports by its members when its quota system is suspended.

The decision, ended a week-long meeting of the ICO executive board.

The ICO also announced that the suspension of quotas will occur automatically on February 18, provided that the ICO average indicator price, which on January 23 was 209.72 US cents/LB, is still above the level of 9.05 US cents/LB.

The main reason behind the imminent lifting of quotas is the rise in world coffee prices to their highest for nearly nine years, due to fears of a supply shortage this season, following drought damage to the forthcoming crop in Brazil, the world's largest producer.

The monitoring system to be adopted will simply require exporting members to ensure that certificates of origin continue to accompany all their shipments of coffee during the period of quota suspension. — ZANA.

/9317
CSO: 3400/1066

ZAMBIA

FARMING COSTS SOAR WITH FERTILIZER PRICE INCREASE

Lusaka TIMES OF ZAMBIA in English 28 Jan 86 p 1

[Text]

THE National Agricultural Marketing Board (Namboard) has increased price of fertiliser by about 78 per cent with immediate effect, acting general manager Major-General Charles Nyirenda announced in Lusaka yesterday.

All types of 50kg bags of fertiliser which used to cost an average of K27 have now been pegged at a uniform price of K48.

Gen Nyirenda said the increases were prompted by the high prices Namboard had to pay for the fertiliser from Nitrogen Chemicals of Zambia (NCZ).

NCZ had increased its prices from K25 a 50kg bag to K45 and that had forced Namboard to raise its prices too.

Gen Nyirenda said the auctioning of foreign exchange had forced the price of imported fertilisers up.

The letters of credit for fertilisers which Namboard bought before the auction system were maturing at the new rate of the Kwacha to the dollar and since Namboard was not exempted from bidding it had to pay the high prices.

Handling and transport costs had also gone up. Freight charges were recently hiked by nearly 100 per cent.

"So we have had no choice but to raise our prices as well. All types of fertilisers that used to fetch an average of K27 will now cost K48 with effect from today," Gen Nyirenda said.

The last increase in fertiliser prices was in May 1984. Last year only crop producer prices were increased.

Last week, Member of Parliament for Mazabuka Mr Patterson Haamane urged the Party and its Government to keep the prices of fertiliser low if the new producer prices were to benefit farmers.

Contributing to debate on the motion of thanks to President Kaunda's opening speech, Mr Haamane commended the Government for introducing new producer prices but warned that these would not benefit the farmers if the price of fertilisers was hiked.

And fears that crop production in Zambia might suffer this year following widespread shortages of fertiliser heightened yesterday with Member of the

Central Committee Mr Reuben Kamanga admitting that distribution problems had not yet been solved.

"The problems in the distribution of fertiliser have not been solved by Namboard even now," Mr Kamanga who is chairman of the Rural Development Sub-Committee said in Lusaka.

But Mr Kamanga who stressed that everything was being done to alleviate the shortage, urged those who had fertiliser problems to complain through right channels instead of using the Press.

Reports from various parts of Zambia say maize fields had stunted crops because of lack of fertiliser which Namboard and the unions had not been able to distribute.

But Mr Kamanga conceded that uncoordinated movements of fertiliser by agricultural agencies had adversely disrupted farming in some areas.

The high demand for maize seed this season had also created shortage of the

chemicals.

On the cassava pest which was attacking the crop in Zambia Mr Kamanga said a research team that had been assigned to study the problem had not yet returned.

He would wait for a report from the team before saying what the situation was.

The Italian government has, meanwhile, donated seven vehicles and canteen equipment worth K1.9 million to the Ministry of Agriculture and Water Development for use at farm training centres in Zambia.

A ministry spokesman announced in Lusaka yesterday that the donation was made through the World Food Programme (WFP).

The spokesman quoted WFP chief of operations Mr Carlo Volhl as having said the first consignment of 21 deep-freezers was already in Zambia.

The WFP under the United Nations has spent K12,800,000 helping agricultural institutions in Zambia.

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CSO: 3400/1066

ZAMBIA

OIL TENDER EVALUATIONS COMPLETED

Lusaka ZAMBIA DAILY MAIL in English 30 Jan 86 p 7

[Text]

EVALUATION of tenders for oil exploration in Zambia has been completed and the Petroleum committee has short listed certain companies for final approval to carry out the work.

Minister of State for Mines, Mr Nathan Sifwa, said yesterday that evaluation was completed about a week ago and the committee was currently negotiating with the shortlisted to determine which one to do the job.

He said the companies were considered according to their experience in oil exploration.

Mr Sifwa did not say how many companies the committee was now dealing with because the information was confidential.

More than 10 leading oil companies, including five from the United States, had shown interest in the project following a survey which was undertaken through a K15 million World Bank loan.

The American companies bidding for the project were Mobil Exploration and Producing Services, Union Oil Pennzoil, Placid Oil, and Amoco and Axon. Other companies were Agip of Italy, Marathon Petroleum of Canada, Petrofina and Elf Aquita-

ne both of France. The British firm BP had also tendered.

Meanwhile, the Zimbabwe government is to start exploring for oil in the Zambezi valley with the assistance of West Germany.

The deputy Minister of Finance, Economic Planning and Development Mr Morton Malianga, on Tuesday signed a 5 million Zim dollars (300,000 US dollars) grant with the West Germany ambassador, Mr Franz Von Metzinger for technical co-operation in mineral exploration and investigation of Zimbabwe's oil resources.

Mr Malianga said the first project would involve training of Zimbabwean geologists within the country. This would improve the infrastructure of the geological survey department, he said.

"This will involve the carrying out of a geological survey of an area already selected in the northern Makonde region covering 3,300 square kilometres, carrying out petrographic studies to determine the age of rocks, conducting a geochemical reconnaissance survey of an area totalling 5,100 square kilometres," Mr Malianga said. — ZANA/PANA

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CSO: 3400/1065

ZAMBIA

COPPERBELT REORGANIZATION CALLS FOR MINE CLOSURES, LAYOFFS

Johannesburg THE CITIZEN in English 31 Jan 86 p 23

[Text]

LUSAKA. — Zambia Consolidated Copper Mines (ZCCM) has launched a five-year production and investment plan which entails the lay-off of 3 000 mineworkers and the closure of six operating units to restore the company's financial viability and the country's economic problems in general.

This plan is expected to prolong the life of the mining industry in Zambia the country's biggest foreign currency earner.

The price of copper reached its peak in the first half of 1974. In the second half of that year the copper price started to decline rapidly and has remained in that state since then except for short periods in 1979/1980 when the price went up to satisfactory levels.

Since its peak in 1974, the world price of copper has steadily declined and

is currently in real terms at its lowest level since World War Two. Consumption has also fallen and, says ZCCM, it is now clear that the decline represents a fundamental change in the performance of the mining industry.

In order to restore the financial situation of the Zambian copper mining industry the five-year plan has been decided on. According to ZCCM chairman and chief executive Francis Kaunda, who announced the proposed five-year plan in Lusaka yesterday, the plan will come into effect on February 1.

The six operating mining and metallurgical units on the Copperbelt will be closed down within the next six to nine months. As part of the

continuing rationalisation programme, Konkola and Nchanga mining divisions have been merged, and their ongoing cost reduction programme will continue, particularly in the non-mining overhead areas, said Mr Kaunda.

The management structure of ZCCM will also be reorganised to make it more responsive to the over-riding need to improve efficiency and to arrest the declining production trend.

On redundancies, Mr Kaunda said Zambian and expatriate workers would be affected, but the company had set up an attractive compensatory resettlement scheme to avoid hardships among those affected. The mining industry is the largest employer after the Zambian Government — ANO.

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CSO: 3400/1065

ZAMBIA

BRIEFS

TAZARA LOAN REPAYMENT TO CHINA BEGINS--Tanzania and Zambia will pay K40 million to the Chinese Government as first installment for the loan used in constructing the Tanzania-Zambia Railway (Tazara). Minister of Power, Transport and Communications Mr Fitzpatrick Chuula said in Lusaka yesterday the Tazara council of ministers has pledged to pay the first installment of the K2,308,54 million total loan that the Tanzanian and Zambian governments owe China for the construction of the railway line. Mr Chuula said the council was determined to generate sufficient funds to pay back the loan to the Chinese Government. At the time the deal was concluded the two countries were given a grace period of 10 years. Mr Chuula has just returned from Dar es Salaam where he led the Zambian delegation to the Tazara council of ministers meeting. Mr Chuula said the council had reviewed problems facing the jointly owned railway. All donor countries who had made pledges to support the council had sent technical staff to Dar es Salaam to implement projects they agreed upon with the council. [Text] [Lusaka TIMES OF ZAMBIA in English 25 Jan 86 p 5] /9604

CSO: 3400/1067

SOUTH AFRICA

CAPE NP CONGRESS SEEN AS REAFFIRMING BLACK POWER-SHARING

Cape Town DIE BURGER in Afrikaans 2 Oct 85 p 12

[Article by Dawie under the "From My Political Pen" rubric: "Nationalists Determined to Resolve Issue of Black Rights"]

[Text] The mood of the delegates who have been attending the National Party congress in Port Elizabeth since Monday can be summarized in a single sentence.

It is: The issue of Black political rights must now be seized upon and resolved.

As never before at a political congress that Dawie has attended, the debate and discussions this year are dominated by the urgency of Black politics. People realize that the time has come to approach this issue in earnest, and they are ready to face all the implications that go with this.

Spelled Out

This is why the leadership of the state president and Cape Province leader, Mr P. W. Botha, has fallen on such receptive ears. The vigorous way in which he has renewed his commitment to reform, as in his offer to Blacks to serve on the President's Council, was met with appreciative applause.

But the full significance of this year's congress is also revealed by a number of other matters that were spelled out more clearly than ever this week as being part of party policy.

The most important of these is the nature of political rights for South African Blacks. More precise explanations were given of what is meant by terms such as "joint responsibility" for Blacks and "say at the highest level" in affairs of common interest.

Dawie has previously said that he does not in fact see any difference between these expressions and the term "power-sharing." This was confirmed in two places at the congress.

Say

In his speech, the state president made direct reference to this: "I do not understand why the government is still expected to say that it is willing to share decision-making powers with all the other communities. This is the expected NP policy and this does indeed clearly express positions that the government has already taken repeatedly."

And then there was the new question-and-answer information pamphlet made public at the congress that leaves no doubt about the principle that the government has accepted. In it, "say up to the highest level" is equated to "political power-sharing."

"Political power-sharing up to the highest level," the pamphlet reads, "means that people of different groups must make decisions on common interests on a common level and thus accept joint responsibility for their implementation."

It must be remembered that the NP's acknowledgement that it accepted power-sharing with Coloreds and Indians was used as an excuse for the splitting off of the Treurnicht faction, with all its unsavoriness.

Many people thought at the time: If this happens when power-sharing with Coloreds is entered into, will the NP not disintegrate when it is some day a question of power-sharing with Blacks?

Clear

That hour of truth has arrived. And instead of the NP being ripped apart, it appears that, strangely enough, it is going to make it through this most difficult of tests. It is in the process of successfully riding this wave.

Delegates tell of the surprising reaction encountered throughout all of Cape Province, even in remote areas. They said that Nationalists are not only ready to fall in line behind the government, but that some of them are pressing for stronger and faster steps.

The message is clear: People are ripe for far-reaching and imaginative action, and there need be no fear that this should take place while looking over one's shoulder.

Open Attitude

Another interesting aspect of Mr Botha's speech is his use of the term "agenda" for the limits within which the government is prepared to negotiate. With this, he committed himself once and for all to the principles of an undivided South Africa, of one South African citizenship and of universal voting rights, within structures of South Africans' own choosing.

To this must be added the observation by the state president that although the solutions for the future will not take place within the existing models, they can indeed include elements of well-known models.

There is obviously an attempt to again put forward in writing the open attitude of the government towards negotiations. More than this can scarcely be done without it being prescriptive.

What will be the reaction to this and to the offer of Blacks in the President's Council? Will there be more excuses and new demands made?

12271

CSO: 3401/7

SOUTH AFRICA

REASSESSED VIEW OF BLACK AFRICA URGED

Johannesburg DIE VADERLAND in Afrikaans 7 Oct 85 p 12

[Editorial: "New Concept of Africa"]

[Text] A reassessment of Africa and its people is necessary. This emerges from the Africa Institute conference last Friday on 25 years of independence for our continent and its people.

Many stereotyped opinions about Africa are clearly inaccurate. For example, the prevalent image of Africa is one of political instability and coups.

The truth is that there is also a great deal of political stability in Africa. Of the 68 coups thus far, 78 percent have taken place in only 11 of the 51 independent countries.

Moreover, political instability is not limited to Africa. Think only of France after the Second World War, which for many years literally had a different government every 6 months. Greece, Italy and Turkey are themselves not models of stability.

Another erroneous image is that Africa is overwhelmingly communist-oriented and that the Soviets have achieved all the victories and the United States has suffered all the defeats.

In reality, both great powers have had their fingers burned. An expert like Prof John Marcum of the University of California is even of the opinion that the two superpowers could come to see Africa as a joint threat.

South Africans readily profess that we are part of Africa, and Afrikaners in particular are under the impression that they know the Black man.

We are clearly part of Africa. This is why we must take into consideration the fact that if we use Southern Africa's interdependence as a weapon against sanctions, we will certainly suffer from it.

It is very doubtful whether the Afrikaner, or the White South African, knows the Black man as well as we purport. If this were the case, we would probably

not be presently burdened with the political problem that we and the Black leaders cannot come together in order to stipulate a new dispensation.

Both the view of Africa as a thoroughly unstable area whose backwards people cannot do anything right, and our own belief in our knowledge of the Black man are to a certain extent racist.

This judges Africa and the Black man according to Western standards and values. And the person who boasts the most about his knowledge of the Black man is often the most derogatory in his analysis.

A reassessment is not necessary as merely an academic exercise. Without a better understanding of our continent and of our own Black people, our chances of remaining as the White part of Africa are all the less.

12271

CSO: 3401/7

SOUTH AFRICA

GOVERNMENT ALLEGEDLY CONFERRED WITH ANC YEAR AGO

Pretoria DIE AFRIKANER in Afrikaans 13 Nov 85 p 1, 13

[Article: "Ron Miller Implicitly Admits Government Did Talk With ANC"]

[Text] The government has indeed negotiated with the ANC [African National Congress] in spite of repeated denials in connection with that. This is apparent from statements by the deputy minister of foreign affairs, Mr Ron Miller, last week in Johannesburg. In reply to a question, Mr Miller said the government made a lot of progress in persuading a large part of the the ANC's decisionmaking body to abandon violence when the series of discussions between South Africans and the ANC emerged.

Naturally, there could not have been any persuasion done without negotiations. Mr Miller's implicit admission gives greater authority to reports that appeared in several South African newspapers in January of this year. These reports, written by well-known free-lance journalist Hennie Serfontein, announced that South African officials had conferred with the ANC shortly before Christmas last year. According to the report, the discussions took place in the Zambian capital Lusaka.

The clear indications that the government was involved in negotiations with the ANC throw a wrench in assurances given in connection with this by the State President, Mr Botha. Shortly after the report in question appeared, it was denied by Mr Botha, who told newspapers that the government will never negotiate with the ANC before it turns its back on violence. The state president also denied that the government had ever carried on discussions with the ANC in the past. He added that there will never be discussions as long as the ANC persists in committing violence. In a television interview earlier this year, Mr Botha stated that there can be no talks with "those who are committed to violence."

The Serfontein report states that division is rife in ANC ranks over discussions with the South African Government. A faction which includes the president, Oliver Tambo, is apparently in favor of negotiations with the government. This group is opposed by a more militant faction under the leadership of the exiled communist, Joe Slovo. This division in the ANC tallies with Mr Miller's view that the ANC is divided into a group which would possibly renounce violence and another group which is determined to continue it.

13084
CSO: 3401/49

SOUTH AFRICA

STRENGTHENING OF CONSERVATIVES DISCUSSED

Pretoria DIE AFRIKANER in Afrikaans 13 Nov 85 p 1

[Article: "Fifty Seats Would Be Won. NP MP's in Pinch After Elections."]

[Text] Fifty parliamentary members from the NP [National Party] would be beaten by rightist candidates if a general election were held now. Knowledgeable sources provided DIE AFRIKANER with this information last week. It is based on the swing to the right in the latest series of by-elections. The sources stress that the figure of 50 constituencies was calculated very conservatively and that the number could be higher. A further 12 seats are within the reach of the rightist parties.

A loss of 50 seats to the rightists would substantially jeopardize the NP administration because it would then no longer possess an absolute majority over the opposition parties in the Volksraad [S.A. House of Assembly]. In such a case, the NP would be compelled to conclude a formal agreement with the PFP [Progressive Federal Party].

The by-elections have brought a new fluidity within the NP. Numerous NP MP's now realize that they do not stand any chance at all to keep their seats against a rightist onslaught. There is a strong possibility that these MP's may start to form a strong pressure group within the NP with the aim of slowing down the NP's integration policy or even bringing it to a standstill. Analyses of the results and the trend shown by them are especially bad news for the Transvaal NP leader, Mr F.W. De Klerk. Mr De Klerk's political power base is collapsing under him in a dramatic manner.

Total support for the HNP [Herstigte Nasionale Party] and KP [Conservative Party] has already surpassed that for the NP in the Transvaal. The rightist parties now enjoy the support of 44.48 percent of Transvaal voters. Total support for the NP and NRP [New Republican Party] is just over 43 percent, while only 12.37 percent of the Transvaalers would vote for the PFP if elections were held now. In the Orange Free State a swing of 6.31 percent to the right is needed to bring the rightist opposition to an equal level with the NP and NRP. The figure is 15.32 percent for the Cape and 10.66 percent for Natal. A nationwide swing of 5.90 percent to the right is needed to give the HNP and KP majority support among the voters.

According to these expert calculations, the rightist parties would win 44 seats in the Transvaal, two in the Cape, one in Natal and three in the Orange Free State. Five Transvaal constituencies are now borderline seats, while one in Natal and six in the Orange Free State also fall into this category. Although these figures appear very favorable, political spokesmen warn against overoptimism. A swing to the right of nearly six percent is considerable and can only be brought about with hard work. The swing to the right stood at about two percent per annum in the past years.

The head of the Department of Political Sciences at the University of South Africa, Prof. Willem Kleynhans, says the current swing to the right is the result of alienation between NP leaders and the party's followers. Mr P.W. Botha has ignored his usual supporters and party members as far as policy decisions are concerned. Important policy decisions have been made without consulting the NP's congresses, with resultant suspicion among party members. The NP no longer has any certainty about its support among the voters, Prof. Kleynhans states. The result is that it must fight for its life in constituencies which it previously regarded as secure.

According to Prof. Kleynhans, the NP is getting more and more dependent on English-speaking support because it is losing Afrikaner support on a large scale. The NP will have to enter into a formal agreement with the PFP, what has been left of the NRP, and with business interests. In order to get that support, the NP will naturally have to meet the leftist demands which are going to be made of it.

"The rightist swing is continuing uninterruptedly and remains stable," Prof. Kleynhans says. He said that election fighting requires great professionalism. "It is clear to me that the HNP's victory in Sasolburg must to a very great extent be attributed to the professional manner in which the election campaign was conducted. The HNP clearly possesses a core group which can put the plan for a campaign into effect."

Support for Political Parties

	Swing Needed	PFP	NP+NRP	HNP+KP
Transvaal	-0.67	12.37	43.15	44.48
Orange Free State	6.31	0.53	56.04	43.43
Natal	10.66	36.76	42.28	20.96
Cape	15.32	19.13	55.78	25.13
Nationwide	5.90	16.41	47.69	35.90

13084

CSO: 3401/51

SOUTH AFRICA

VICTORY AT SASOLBURG GIVING NEW IMPETUS TO HNP

Pretoria DIE AFRIKANER in Afrikaans 13 Nov 85 p 4

[Article: "The Road Forward"]

[Text] The election outcome in Sasolburg caused a worldwide commotion. Foreign radio and television services from England, Wales, Ireland, Canada, Germany, France, Australia and the USA requested interviews almost continuously the day after the election. Everyone wanted to know whether the outcome would delay the application of Mr P.W. Botha's policy.

The HNP's breakthrough in an Orange Free State constituency will unquestionably have incalculable consequences. It has greatly raised the HNP's prestige and made many people look at that party with wholly new eyes. Congratulations which have been received come from the most diverse places, with a surprisingly high number of professional people and even a sprinkling of businessmen in the high income group.

These signs are an indication of the new phase which the HNP is now entering and the greater challenge facing it. It cannot be argued that this challenge must be answered. It has to be. Now more than ever it is a truth that the HNP must go through the breach to save our people from the calamity that the "National" Party has brought over it. There must now be just one mission and one appeal: strengthen the HNP to fight still better. And that strengthening must be given in the financial area and in the organizational area.

HNP members and supporters in every constituency must get together to decide on action, for in every constituency in South Africa a by-election may be brought about as early as next week, which must entail a total mustering of the HNP against the government. And one should not lose sight of the fact that the latest election results coincide a great deal with those in Randfontein, Koedoespoort and Rustenburg in 1979, where the NP majorities were whittled away by 3,000, 4,000 and 5,000 respectively. That was what triggered off the early general election of 1981, in which the HNP drew almost the same amount of votes as the PFP and sank the NP majorities to below 2,000 in numerous constituencies.

If the government waits for another by-election in which its majorities become even smaller, a general election will be even riskier. The possibility of an early general election next year must be recognized in all realism. The HNP must get ready for it. And there is not much time.

SOUTH AFRICA

AV WARNS AGAINST INVOLVEMENT WITH FAK

Pretoria DIE AFRIKANER in Afrikaans 13 Nov 85 p 3

[Article: "Watch Out For FAK!"]

[Text] Members of the Afrikanervolkswag [AV] must be on their guard against being neutralized if they let themselves get involved with organizing committees of the FAK [Federation of Afrikaner Cultural Associations]. This warning was addressed to members in the latest circular from the Volkswag. The AV especially warns of organizing committees for the Day of the Covenant and for commemorating the Great Trek next year. The Volkswag says collaboration in such committees can end up in an entanglement of interests whereby Volkswag members are neutralized in order to accommodate everyone.

The AV states that the question whether to participate must be gauged by the central threat and attack on the right of the Afrikaner to struggle to be free and white in Africa and to rule himself democratically in his own territory. "The essential feature of the Great Trek is the aspiration to freedom and independence as a Boer nation. We want to commemorate that. The costumes, the ox carts and horses, the eating habits on the journey and the battles -- those are fine and interesting, but not essential. The aim and motivation was to be free and white..."

The Volkswag points out that organizing committees for commemorating the Great Trek are now being elected by the secretariat of the FAK. Can Volkswag members identify with them if these bodies must do their work within their declared guidelines and pronouncements which have been made in the press? The circular says that Volkswag members and bodies which are now being approached on a broad level should only give their cooperation if the point of departure has been clearly elucidated and is in harmony with the fundamental principles of the Volkswag.

13084
CSO: 3401/49

SOUTH AFRICA

WIEHAHN REPORT DECLARES DISMISSAL OF BLACK WORKERS ILLEGAL

Pretoria DIE AFRIKANER in Afrikaans 13 Nov 85 p 2

[Article: "Black Unions Now in Strong Position of Power"]

[Text] The government's policy has now enabled black trade unions to extort gigantic amounts from employers. That was the comment of experts on the recent judgment of the Industrial Court that Gencor's Marievale mine acted illegally when it sent 600 striking black mineworkers home in September. The black National Mineworkers Union demanded a wage increase of 22 percent, but the mine raised their wages by only 14 to 19 percent starting in July.

Mr Gert Beetge, chief secretary of the white Building Workers' Union, points out that the government set up the Industrial Court as a result of the Wiehahn Report's recommendations. It puts government policy directly into effect. To prevent employers from dismissing rebellious black strikers places tremendous power in the hands of the UDF- and ANC-controlled black unions, Mr Beetge said. Such a step in a time of rebelliousness such as now is an action which South Africa will yet bitterly regret.

The irony of the matter is that the Industrial Court is a subordinate court, while the Supreme Court decided last month that the dismissal of the 600 strikers was completely legal, Mr Beetge says. Legal experts say that the Industrial Court's judgment is a direct challenge to the system of the higher courts. It is now evident how absurd and irresponsible the government's policy of recognition of black trade unions is. It even undermines the legal security which must be the foundation of the legal system. Mr Beetge further said that the principle which is relevant here is only applicable in countries with white workers and responsible and largely non-political trade unions. To apply it to South African black unions, however, is to look for trouble.

Experts on communist tactics see in the Industrial Court's judgment especially a blank check which has been given to the UDF and ANC. It is well-known that it is a basic principle of communist strategy that the "capitalist oppressor" must pay for his own downfall. The minister of law and order, Mr Louis Le Grange, has already referred to the large sums -- as much as R20,000 -- which merchants in the Eastern Cape pay as extortion money to the UDF in order to be protected from boycotts and strikes. This is not so much for the boycott itself, but to obtain funds for the UDF and ANC, experts explain. In the same way, future strikes will not be so much for higher wages, but rather for financing the revolution.

13084

CSO: 3401/50

SOUTH AFRICA

HNP SECRETARY DENOUNCES COMMONWEALTH 'INTERFERENCE'

Pretoria DIE AFRIKANER in Afrikaans 13 Nov 85 p 3

[Article: "Interference by Commonwealth 'Shocking, Flagrant.' Government Silent About Mission."]

[Text] Mr Louis Stofberg, chief secretary of the HNP [Herstigste Nasionale Party] and MP for Sasolburg, says that the proposed visit to South Africa by Commonwealth leaders is a shocking and flagrant interference in the Republic's domestic affairs. Mr Stofberg was commenting on the announcement that the first member of the delegation has been appointed. He is Lord Anthony Barber, who has been named Britain's representative. The mission to South Africa arises from a decision made at the recent conference of Commonwealth prime ministers at Nassau in the Bahamas. South Africa was given six months time to abolish "apartheid" at this conference. There was speculation in newspaper reports after the conference that the Zambian chief of state, President Kenneth Kaunda, will head the mission.

Mr Stofberg points out that the Commonwealth kicked South Africa out in 1960. Yet the Commonwealth now has the immoderate audacity to dictate to South Africa in a blatant manner. "The proposed visit to South Africa by the Commonwealth delegation must be seen against the background of years of open interference by foreign countries in South Africa's internal affairs, which has been passively permitted by the government," Mr Stofberg declared. "The visits to South Africa by numerous foreign enemies has prepared the climate for the visit by the Commonwealth delegation."

A spokesman from the Bureau for Information told DIE AFRIKANER that the government has not yet taken a public stand on the visit. The reason for this is that the government has not yet been notified of it through official channels. The government is not prepared to say anything about the matter before that happens. Mr Stofberg's comment on this is that the government should have reacted immediately in the sharpest terms after it was announced that such a visit is being planned.

The British minister of foreign affairs, Sir Geoffrey Howe, said in a recent discussion in the House of Commons that the agreement reached in the Bahamas has three primary aims: the condemnation of apartheid, South Africa's illegal occupation of "Namibia" and continued raids into neighboring countries, the

visit of prominent Commonwealth members to South Africa and a program of joint action with regard to punitive measures. According to Sir Geoffrey, the British prime minister, Mrs Margaret Thatcher, will consult with the heads of government of Zambia (Kaunda), Canada (Mulroney), Australia (Hawke), India (Gandhi) and Zimbabwe (Mugabe) about the composition of the group.

Sir Geoffrey added that the measures agreed upon in Nassau are aimed at sending South Africa a clear message that it must change quickly. "Let me again remind the House that the South African Government has acknowledged the need for change. Our joint aim at Nassau was therefore to get more movement," he said.

13084

COS: 3401/50

SOUTH AFRICA

BOYCOTT OF BRAZILIAN PRODUCTS RECOMMENDED

Pretoria DIE AFRIKANER in Afrikaans 13 Nov 85 p 6

[Article: "Brazil Is Asking for Counteraction"]

[Text] Brazil has forbidden the chief of the South African mission to travel around the country. This involves his thus not being able to do his work properly and not being enabled to protect his country's interests or giving information to people who ask for it.

The answer is simple: determine the country of origin of goods which you purchase, and if it is Brazil, don't buy them. Pay particular attention to leather goods, footwear and other consumer goods that often come from Brazil. Brazil's action to prevent a diplomat from being able to exercise his normal activities after his credentials have been accepted, and since no state of war exists, must be regarded as an insult.

Brazil itself has quite a lot to hide. It was just somewhat more than two decades ago that the country, which is exclusively Roman Catholic, murdered nearly 900,000 Indians by deliberately spreading diseases and poisoning drinking places in order to be able to obtain the reservations that way. Attempts to bring up the affair at the UN failed. At that time there were certain political interests that compelled quite a lot of countries to keep the matter out of the UN.

We will soon publish an article about the scandals of the Brazilian Government. It will then be clear how great the hypocrisy is to impose a travel ban on the South African mission.

In addition to the fact that no Brazilian goods ought to be bought by any South African who respects his country, serious consideration should be given to withdrawing the South African mission from Brazil and also giving the Brazilian mission here its walking papers. Strong action has yet done no harm. We certainly do not have to swallow accusations from a country which has no reason to be proud of the way it maintains human rights.

13084

CSO: 3401/49

SOUTH AFRICA

PROFESSOR VIEWS REFORMS AS DISASTROUS FOR WHITES

Pretoria DIE AFRIKANER in Afrikaans 4 Dec 85 p 8

["Summary" of previously published articles by Prof M. T. W. Arnheim of the University of the Witwatersrand and author of the book "South Africa After Vorster": "'Reform' Is Disastrous for White South Africa"; first paragraph is introduction]

[Text] The government's current policy of "reform" will not ward off revolution, but will in fact promote it, says Prof M. T. W. Arnheim, professor of classics at the University of the Witwatersrand. Professor Arnheim, author of the famous work, "South Africa After Vorster," takes this interesting position in two articles that were recently published in a Johannesburg business newspaper, FINANCE WEEK. A summary of the articles follows.

As an introduction to his first article, Professor Arnheim refers to the general assumption that reform and revolution are opposites and that this is why reform is so often depicted as the way in which revolution can be averted.

This assumption is in reality the opposite of the truth, as was recognized as far back as a century and a half ago by that astute observer of the political process, Alexis de Tocqueville. Tocqueville said that grievances become unbearable only when the possibility for people to eliminate them arises.

Tocqueville thus realized that social dissatisfaction is the product of a feeling of deprivation and that this deprivation is not objective, but in fact subjective. In modern sociological jargon, this is referred to as relative deprivation.

Relative deprivation is the difference between the "is" and the "should be" in the lives of an individual, group or class. A person's degree of dissatisfaction is determined by the level of his aspirations and expectations. The person who has no rights and furthermore does not expect to gain any rights will probably not aspire to any rights. However, as soon as certain rights are granted to him, he will probably push for more because he perceives a gap between what "is" and what "should be."

Professor Arnheim refers to the reforms instituted by the Russian czar, Czar Alexander II (1835-1881), which were the cause of widespread disorder,

including his own assassination. However, his son, Czar Alexander III, ruled with an iron hand and held off the revolution for another 13 years--until the weak and vacillating policy of Nicholas II opened up a revival of violence that eventually brought down the regime.

However, recent South African history is proof enough that reform is not the countermeasure to revolution, Professor Arnheim writes. Who are the present revolutionaries ultimately? Are they not primarily young Blacks who have had more opportunities to develop than the older generation? Although they are in fact much better off than the older generation, they feel more deprived. Their expectations have been raised sky-high by reforms by the government. As soon as the situation is recognized for what it really is, it will become obvious how senseless reform is and how ill-fated it is for South Africa's Whites.

Reform can have a moderating influence in a homogenous society, but not in one that is divided by differences in race, culture or religion, Professor Arnheim says. This is one of the reasons that reform is doomed to failure in South Africa.

It is generally accepted that reform will bring forth a group of moderate Blacks with a role in the country as a result of progress, education and an increase in political participation. Many Whites, including the government, pin their hope for the future of the country on one form or another of accommodation with these Black leaders. However, this is an illusion, as events have already begun to indicate. Moderate Black leaders do not enjoy much support from their own people, and Colored and Indian leaders who are participating in the government's constitution were only able to get a pathetically small group to turn out at the polls.

Professor Arnheim points out that everywhere in Africa, it has always been the radical who has come out on top, and not the moderate. The father of Black nationalism in Ghana was Dr Danquah, and yet he was completely eclipsed by his more radical adversary, Kwame Nkrumah. In Kenya, the moderate Ronald Ngala even became prime minister, but the moment that Jomo Kenyatta was released from prison, Ngala was shoved aside. This was also the case in Zambia, where it was not the moderate Harry Nkumbula who triumphed, but rather the radical Kenneth Kaunda. We all know what became of the moderate Black leaders in Zimbabwe! writes Professor Arnheim.

Whites who find comfort in the rivalry and animosity among Blacks are living in a fools' paradise. The history of South Africa shows clearly that Blacks team up against Whites, although only long enough to assure the White man's downfall. Moreover, it is clear that this unity will take place around the most radical Black leader or party in existence, just as it has happened elsewhere in Africa.

In his second article, Professor Arnheim deals especially with the question of whether a relatively small country like South Africa can resist foreign pressure for reform. In order to answer a question such as this, it is necessary to understand clearly the underlying motivation for this foreign pressure, he says. Is it simply an expression of humanitarian commitment by

the United States and the West? Or is there an ulterior motive hidden behind the diplomatic facade?

Western governments are currently more hostile towards South Africa than ever before--at a time in which South Africa is more dedicated to reform than ever before. Why? Is this despite South Africa's reformist orientation, as is generally accepted--or is it as a result of it?

The United States and the West clearly want South Africa to expand and accelerate its reform program. How much, however, will be sufficient? This is a question that many South Africans are asking themselves. In 1978, Harry Oppenheimer, the South African mining magnate, answered the question as follows: "It is absolute nonsense to say that they (the Western powers) will be satisfied with nothing short of one man, one vote...I do not believe that any of the important powers will impose sanctions against South Africa...if they see movement here."

Events have shown that Mr Oppenheimer was wrong about the West's reaction to reform in South Africa--just as he himself predicted in 1979 in "South Africa After Vorster," Professor Arnheim says. Although no Western power has yet insisted on a solution involving one man, one vote for South Africa, he believes that this will be the demand as soon as reform gets under way. But one can certainly wonder why this demand will be made.

South Africa is an important part of the world, both strategically and economically. The South African government has continually emphasized this in its negotiation with foreign powers. The idea was that the West will be eager to have South Africa on its side. The United States is certainly eager to have South Africa on its side, but it is obviously convinced that a White government will not be in power for much longer, and if it wants to assure that South Africa remain part of the Western alliance, it must now begin winning over the favor of Blacks.

How do I know that this is the United States' motivation--and is there anything that the South African government can do about it? writes Professor Arnheim. If the United States is motivated by some principle, what can that principle be? The Reagan administration is less interested than any other American administration in the last half century in the welfare of the poor, the needy and the less privileged--in other words, in the interests of American Blacks. And yet, it is eager to finance welfare plans for South African Blacks.

If there is one principle that is currently predominant in the United States, one could say that it is the principle of free enterprise. And yet the United States willingly places a ban on South African imports, which is in complete conflict with this sacred principle.

It can only be that the United States sees White South Africa as heading towards the end--as a result of the reform program and not in spite of it--and wants to support the side that will win in the coming struggle in South Africa. Seen in this light, it makes perfect sense for the United States to

pressure South Africa towards reform--to be honest, to carry out reform towards its own downfall.

This is not the first time that the United States has treated an "ally" in this way, Professor Arnheim says. The most recent "ally" to be pressured in this way into a suicidal policy was the shah of Iran, who was also viewed by the United States as being on the way out of power. By pushing him, the United States hoped to obtain the favor of his successors--a vain hope, as it turned out.

What can South Africa do about this? Here as well, history provides a solution. After the Second World War, fascism was defeated everywhere--except in Spain, which had remained neutral during the war. The United States began to turn the screws on General Franco and his government and to push for a liberalization of the regime. However, Franco refused to cooperate. Instead of liberalizing, he began to become more authoritarian than ever before. Many years passed, and it became clear to the Americans that Franco was going to remain in power. The result was that instead of applying more pressure on Franco, as was expected, President Eisenhower flew to Madrid and signed a defense agreement with the stubborn old fascist.

What this shows is that the political nature of a regime makes no difference to the United States. The initial pressure on Franco was not so much because he was a fascist, but because it was obvious to the Americans that in the postwar world fascism was doomed and that it thus had to win the friendship of whoever was to overthrow Franco. However, when it became clear that Franco was going to remain in power, the United States came to an agreement with him. How did Franco assure his survival? Not by doing as the United States said, but exactly the opposite.

Professor Arnheim concludes his article with a quote from "Alice in Wonderland": "Everything has a moral if only you can find it."

12271

CSO: 3419/65

4 March 1986

SOUTH AFRICA

750 LAW OFFICERS GRADUATE FROM LENZ MILITARY BASE

Johannesburg THE CITIZEN in English 1 Feb 86 p 9

[Text]

MORE than 750 new Black Municipal Law Enforcement Officers graduated from the Lenz Military Base yesterday morning.

The Municipal Law Enforcement Officers will perform an auxiliary function to the South African Police (SAP) by protecting the lives of community councillors, municipal installations and Government property.

Yesterday's parade was the fourth battalion of men to graduate in a long-term project aimed specifically at the protection of infrastructure within the various Black communities.

Brigadier J C Coetzee, Divisional Commissioner of Police in Soweto, said after the ceremony that the idea originally arose out of discussions between the SAP, the Black

municipalities and the various development boards.

"These men have come from all over South Africa. They are not SAP but rather municipal police; they are distinguishable by their green and white uniforms. They are more like a security team helping to protect vital installations within their own communities," he said.

The men's training, which lasts three months, includes law, civil defence and practical pistol shooting. The men will also be able to bear arms and have normal powers of arrest.

Civil dignitaries present at the ceremony yesterday were the mayors of Daveyton and KwaTema, Mr Tom Boya and Mr San Ngema, and the president of the Urban Council Association of South Africa, Mr Steve Kgame, who inspected the troops.

/9317

CSO: 3400/1064

SOUTH AFRICA

NEW STRATEGY CALLED FOR IN POLICE HANDLING OF RIOTING

Cape Town DIE BURGER in Afrikaans 10 Oct 85 p 8

[Editorial: "A New Strategy Necessary"]

[Text] It is becoming increasingly obvious that the patterns according to which the Police must presently act in order to try to end the rioting in different parts of the country is being exploited by radicals who want to cause chaos, and who thus welcome Police involvement in incidents. The more drastic the incident, the more lethal the propaganda.

The result is that the rioting is dragging on, in part by feeding on police actions. In the process, the image of the Police is being cracked apart, innocent people are being victimized and millions of rands worth of damage is being done--money that especially in the current economic climate could have been used profitably for the necessary work to develop and uplift.

Has the time not arrived for a new strategy to be developed in the areas of unrest? Is there not a lesson to be learned from what has happened in the national and independent states? Why is there no persistent rioting there on a scale like that in the cities?

One reason could be that these states, unlike South Africa, use Black police to maintain law and order among Blacks. Radical elements seize upon the fact that it is White policemen who must act in Black communities. On the one hand, people are incited against the White policemen who come into the Non-White residential areas from the outside in order to take action against rioters, often with a hard hand. On the other hand, the radicals accuse the Non-White policemen of cooperating with the "oppressors" against their own people. In this way, suspicion is cast upon the entire Police Force.

In the process, law and order are undermined, because those people whom the public must be able to respect to protect them against rioters and criminal elements are depicted as the villains, in part by the numerous accusations made against them.

Self-determination for different communities already exists in various domains. Is the time not ripe for this to also apply to the preservation of

justice? Should the exploitation of the racial element not be removed from police action?

Will Non-White communities not begin to support the preventative and protective actions of the Police when this action is carried out only by their own people in their own areas? Hopefully, more community leaders will then come forward in order to cooperate for the benefit of their own communities.

12271

CSO: 3401/7

SOUTH AFRICA

POLICE DETAIL CROWD CONTROL METHODS

MB071429 Johannesburg Television Service in Afrikaans 1800 GMT 5 Feb 86

[Report on police training methods and new riot control equipment on the "Network" program; introduced by Kolie van Koller--with video inserts]

[Text] [Van Koller] The police have revealed details of new riot control equipment. This equipment is already being used in training programs and will soon be used in riot control. Jal van Niekerk on our political staff in Cape Town has the details.

[Begin video] [Van Niekerk] The training and regular retraining of South Africa's police is one aspect which receives the highest priority in the force. Maleoskop in the Eastern Transvaal is the base where the men are trained and honed to maintain law and order in the country. But, because the unrest situation in the country is continually changing, the question arises as to how the police are adapting to this.

[Colonel Johan Gijssbers, commander, Maleoskop] Riots and crowd control is a problem which is as old as the South African police. Over the years, after every riot situation, the police have examined the situation and adapted the training accordingly. In line with this, a small tactics committee was established which constantly considers incidents occurring all over the country, looks into the actions of the police, and evaluates whether the training needs satisfy the practical requirements. This is all done in cooperation with the training institution and, if necessary, our training program is then adapted to carry this out in practice.

[Van Niekerk] Discipline of actions under orders in the police force cannot be overemphasized. Because all police actions eventually land in court, every member of the force must have a wide knowledge of justice. In addition a policeman should be able to handle his weaponry effectively and with the necessary confidence, especially as the police in any modern state must maintain the principle of minimum violence. The training of the SAP never ends; therefore, reorientation courses are important.

[Gijssbers] At this stage we feel it is necessary to bring back members of the force who were trained before 1980 to Maleoskop to get acquainted with new techniques, new equipment and new legislation so that they are prepared at all

times. I could just mention that last year, 1985, we retrained 192 officers here. More than 3,000 students were trained here before going on general duties and about 2,200 members who had already been trained were retrained here last year.

[Van Niekerk] The SAP is undoubtedly the world leader in the development of equipment for mob and unrest control. The latest development in this field is a rubber bullet machine mounted on top of a casspir and effectively controlled from the crew cabin. The water basket so-called water bomb which is controlled from a helicopter is added to the already well-known water cannon, which with its tinted contents is mainly used for identifying persons later. Another new development is a trailer with barbed wire which enable the police to cordon off an area quickly and effectively. The barbed wire can be laid with a short time over a distance of up to 300 meters. The police have also created a video unit which monitors all actions by the police and crowds in unrest areas with a view to use later in courts and for record purposes. Although great emphasis is placed on training and control of mobs in unrest situations, counterinsurgency training is of cardinal importance.

[Gisbers] There is a perception, perhaps, that counterinsurgency training is no longer necessary for the police because the police were withdrawn from our border recently, but counterinsurgency includes all forms of antiterrorist activities and we are experiencing terrorist activities internally, not just on our borders. There are enough examples of this recently where bombs exploded in Amanzimtoti and in Durban, the De Jonge incident in which he smuggled explosives into the country; and our successes as policemen show that this training is thorough and effective.

[Van Niekerk] Next to the successes achieved by the police in curbing terrorism and sabotage, the most concrete evidence of this is the tons of weapons and weaponry seized. Overall there was no increase in the number of weapons and arms found internally in 1985 but an increase in the number of certain items. For example last year 187 limpet mines were seized as against 40 in the previous year. Another example is the increase in demolition blasts--11 in 1984 as against 35 in 1985--but the quantity of weapons and equipment seized does not necessarily represent the nature and extent of the terror acts of the ANC in South Africa.

[Brigadier Johan van der Merwe, SAP Security Branch Chief] To clarify your statement I would like to mention that during 1984 we seized about 286 hand-grenades. You will notice that that is much less, but at least that we had five incidents in which handgrenades were used in 1984 and during 1985 we had 67 incidents, which shows a very sharp increase.

[Van Niekerk] It seems as if a change has occurred in the use of weapons?

[Van der Merwe] Definitely. We notice that the ANC terrorists, in recent times, have been using more weapons and weaponry which are suitable for assassinations. During 1984 we experienced 19 incidents in which limpet mines were used and during 1985 there were 37 incidents.

[Van Niekerk] What happens to these weapons?

[Van der Merwe] These weapons are kept as exhibits in relevant court cases.

[Van Niekerk] Are they still communist in nature?

[Van der Merwe] That is correct.

[Van Niekerk] If you compare these weapons with those seized a year or so ago, are there any indications that the ANC is becoming more sophisticated in its onslaught?

[Van der Merwe] No, not more sophisticated. They are using the same type of weapons that they have used year after year. What is really noticeable is that the attacks are becoming more cowardly in nature. We see that they use, as I have already said, those types of weapons suitable for assassinations where the unsuspected victim is attacked before he can defend himself.

12712
CSO: 3400/1063

SOUTH AFRICA

POLICEMAN COMMENTS ON DETAINEE INJURY

Johannesburg THE STAR in English 5 Feb 86 p 6

[Text]

PORT ELIZABETH — A top-ranking Eastern Cape policeman has said many injuries of detainees could have been from sentences imposed by "township kangaroo courts".

Divisional Commissioner of Police for the Eastern Cape Brigadier E S Schnetler was replying in an affidavit before the Port Elizabeth Supreme Court yesterday to allegations by former district surgeon Dr Wendy Orr and others of brutal assault on detainees.

"I am not trying to say that all the injuries referred to by the applicants were the result of sentences imposed by the 'people's court,' but the possibility cannot be discounted. Injuries could also have been received during unrest and arrests," he said.

"The impression was given that the police were waging a war of unbridled force against residents of black and coloured townships in the East Cape.

"This is unjustified. The police try to carry out their duties, often under difficult circumstances. I do not suggest that single cases of transgression do not occur, but this is no reason for unfounded, general-

ised allegations to be made against the police.

"The applicants tried to give the impression the security forces, and particularly the police, acted as if the state of emergency allowed them to ignore the rights of others, and were protected by the emergency regulations."

There might have been instances when members of the force overstepped the mark but, when such cases were brought to the attention of those in command, investigations were undertaken and action was taken.

"Allegations of assaults have been made from time to time but, in most cases, they were unfounded."

He said the impression Dr Orr had tried to create — that the police had taken the law into their own hands — was untrue.

After describing the background to the state of emergency, Brigadier Schnetler said it was stressed that force should be used only in cases of emergencies, such as resisting arrest, where it was necessary to disperse trouble-makers and to protect lives and property. — Sapa.

/10001

CSO: 3000/1005

SOUTH AFRICA

PRISON SERVICE TO MONITOR DETAINEES' GRIEVANCES

MB080845 Johannesburg SAPA in English 2056 GMT 7 Feb 86

[Text] Pretoria, Feb SAPA--The SA Prisons Service tonight said it had been instructed by the Minister of Justice, Mr Kobie Coetsee, to monitor the grievances expressed by a group of over 50 emergency detainees at the Diepkloof Prison in a memorandum sent to the minister last month.

The Prisons Service relied on "monitoring mechanisms" to determine if the conditions of prisoners deviated from "legally defined norms," a prisons spokesman said. "If there is any deviation from such norms the prisons authorities will adapt."

He added that many of the detainees' grievances had been the subject of previous court actions.

"The signatories and those who have assisted with the drafting of the document have obviously maximum publicity in mind whereas the prisons authorities have the task of providing accommodation and facilities according to legally defined norms."

On Wednesday the Detainees Parents Support Committee (DPSC) released copies of the detainees' memorandum to the press saying that many of the detainees were under 18 years of age and many had spent six months in detention "without recourse to the law and without being given reasons for their imprisonment."

The memorandum detailed the detainees' grievances about food, exercise facilities, visits by relatives, access to reading material and other conditions at the Diepkloof Prison, near Johannesburg.

(17/1)

CSO: 3400/1964

SOUTH AFRICA

BUTHELEZI DISCUSSES PARTICIPATION, CITIZENSHIP

MB061850 Johannesburg Television Service in English 1800 GMT 4 Feb 86

[Interview with Inkatha President and KwaZulu Chief Minister Chief Mangosuthu Buthelezi in Johannesburg by journalists Otto Krause and Pekwane Mashilwane on the "Network" program introduced by John Bishop--live]

[Text] [Bishop] The KwaZulu Chief Minister Mangosuthu Buthelezi, is also the president of Inkatha whose membership of 1 million makes it one of the biggest black organizations in the country. Now on the one hand Chief Minister Buthelezi has been criticized by some black organizations for participating in the homelands structures, but on the other hand he is one of the most vocal critics of the same policy and a strong proponent of South Africa being an undivided country, one nation, an ideal which has now been declared government policy by the state President, Mr P.W. Botha. Well tonight Chief Minister Buthelezi was in the "Network" studio shortly before we went on the air. Chief Minister, welcome. Just a few hours ago you addressed a meeting and you had something to say about the National Statutory Council [NSC] which the state president announced last Friday. Could you briefly to start us off, tell us what you had to say.

[Buthelezi] I said that I welcomed what he had to say on Friday on this because before this the state president did try to set up, for instance, the cabinet committee and also he announced the NSC... [changes thought] the national forum last year when he opened parliament, but I say this: the council which he has announced this time I think that it is in a different category altogether from those because he stakes, in fact, his own political career as far as I am concerned, in the sense that he is not delegating to a minister, he is taking the responsibility himself to preside over it.

[Bishop] So you welcome that, do you?

[Buthelezi] So I welcome that because now it shows that he is prepared now to put his political neck on the block as far as this is concerned because he either fails by it or he becomes a statesman if he succeeds.

[Bishop] Otto Krause?

[Krause] Do you see yourself participating strongly within the council chief minister?

[Buthelezi] At the moment I have made no decision about participating but at the same time I think that I have made certain conditions. For example, since I am a constituency leader who is elected to positions I hold, I believe that this is wrong for me to say "yes" I am going to participate. How am I (?going) to feel positive about it? [sentence as heard] So my view is that I must consult my constituency. I would believe that the issue is of such importance that apart from consulting, for instance, the Central Committee of Inkatha or the KwaZulu Legislative Assembly I would have to consult even other black people because I believe the thing is so historic and so important that ordinary people, ordinary black people, must also say whether, in fact, they think we should participate. You know I often hold big rallies and I think that this is the kind of thing that should be debated.

[Krause] Do you see a whole round of confrontations throughout the country chief minister before? [as heard] When would you expect an answer on your part and on the part of other black leaders?

[Buthelezi] Well, the Assembly is meeting only next month. So it is quite soon. So even if it (?needs) time and I think this is one thing that I will put before the Assembly, but at the same time I think that the problem of course is [words indistinct] because I would like to come, for instance, to Soweto as I do normally in the past when there are issues that need decisions but at the same time I am concerned because in the state of emergency, this makes it difficult. [sentence as heard]

[Bishop] Pekwane?

[Mashilwane] All the reform initiatives that were announced by the state president last week are a direct challenge to the black leadership. Would you, perhaps, if invited on a permanent basis, be prepared to relinquish your position as a leader of a black national state and participate fully in this statutory council?

[Buthelezi] I really don't know whether your question is really quite legitimate because he has said himself he is consulting people in the republic by which he includes whites, coloreds, and Indians, and he has gone further to say that he would like to consult also so-called self-governing states and he has also said that other black leadership and other interest groups. So he has himself--I mean that is a hypothetical question by saying that I abandon my position. I mean I think that the state president regards me as a leader because of the constituency that has elected me. So I would think that my participation, in fact, will be based on the fact that I am recognized by him and elected by this constituency. Now, it is not a decision for me to abandon because I don't know whether that means that I must abandon my people and be a self-appointed leader.

[Krause] Minister, I don't think the one follows the other. After all P.W. Botha still has his task with the tricameral parliamentary setup and so the chief minister has with KwaZulu and, of course, everybody can operate in two spheres.

[Mashilwane] But what I wanted to know is will he be prepared, if required, if invited, to relinquish his position as a leader of a national state and participate in the activities of the

[All interrupting, Bishop] .. set up, would accept that?

[Buthelezi] No, because that is not how I would comprehend the thing to operate. You see these are hypothetical questions because Mr Botha has not said in his remarks that we would have to abandon that although is of course, if that was a legislative body I could do so, but at that moment as I have said very clearly there needs to be an agenda for this, because, we can't negotiate about what we know and we do not know what, with the state president. So what is important, I think, about participation is that we must know what the agenda will be.

[Bishop] Chief minister, I think you have made a precondition, if we read your recent statement correctly. You want it all to be open and on the table, don't you?

[Buthelezi] Correct.

[Bishop] So you, would you just pursue that a little bit.

[Krause] Is that not very difficult to run political business with having everything open to you, chief minister?

[Buthelezi] You see, the reason why I have retained, you know, the constituency that supports me is that I don't negotiate in the dark, behind their backs, so I think that it is on this basis that I have kept the confidence of my people--even if some people have tried to denigrate me for instance, by saying that because I am prepared to speak to the government I am therefore a government flunky or something of that kind--but I have retained, you know, the trust and support of my people precisely because there is nothing I do behind their backs.

[Krause] Chief minister, this is a great step as I see it, I see that the slate has been cleaned in South Africa. We start out with a clean slate. I think we have a new era and, if I may say as far as you are concerned, I think you have been proven right, that the path of negotiation, which you have stuck to over the years, has finally come to fruition. How do you see this in broader terms, this great step that the state president has made?

[Buthelezi] So in broader terms, I think that I agree with the state president, of course, that one must not be prescriptive, and I am also very much aware that I can fall into the same trap too of being prescriptive. But at the same time, one thing that we should not miss is that, of course, in constitutional terms you cannot really reinvent the wheel. What I am trying to say is that there are classical principles of how constitutions are run in various countries, and I think that in South Africa it is true that, of course, we must have something that suits our special conditions. But at the same time we are not going to start something new, a framework that has never been seen anywhere else. So, I would say that when we get to the conference table--if we do--the main thing is to start now, what kind of system, what kind of formula, and so on, and so on.

[Krause] So you will first discuss the framework of a future constitution, or will you get down to business? The state president said, on the other hand, that the statutory council will have advisory powers also as far as legislation goes. Good, the state president has announced that apartheid is outdated, and we all know that a number of laws have to go and will be going. But do you see yourselves having on this council a real input as far as the improvement of the black lot in this country via the power to advise and legislation?

[Buthelezi] Yes, but you see, of course, in the past, you know, we must be very careful that in the past, as I stated at the opening of this discussion, there have been some organizations or rather statutory bodies that have been set up by the government--not necessarily this government, even the Smuts government, the NRC [Native Representative Council] and so on. One must be very careful that we do not find ourselves in a talk-shop, so that personally, to be quite frank, I would be very happy--you know, the state president could not have spelled out in detail in the speech last week exactly how this thing is going to operate. So, one is waiting. You see, one must think very carefully. But I would say, for instance, if the idiom is not the idiom of the tricameral parliament, with own affairs and general affairs, and if it is understood that the tricameral parliament, which in fact I have rejected in part and in whole ever since it was conceived--I think that it would be a very good idea if there is an understanding that while I do not expect him to dismantle the tricameral parliament during this session that on the cards we accept all of us, before one participates in the statutory council, that in fact it is going to die, that it is going...

[Bishop, interrupting] The tricameral parliament?

[Buthelezi] The tricameral--it will go altogether. Because, you see, this is it, one is walking a tightrope here, because you do not wait to participate and in the process find that you are legitimizing the existence of the tricameral parliament.

[Krause] But at the same time--sorry. [sentence as heard]

[Mashilwane] Now, Mr Chief Minister, one of the things that you have been advocating is the declaration of intent on the part of the government. Has perhaps the speech of the state president on the opening of the parliament satisfied some of your expectations?

[Buthelezi] Well he has tried to say so or do so without saying so, and I suppose this is a political thing on his part because he in May invited me to his office. You know, we have never had an official meeting in 4 years except that meeting where he told me that he has no intention of declaring a statement of intent. I suppose when I insist even now that there should be an agenda, in fact, it only comes out to the same thing...

[Bishop, interrupting] This is a (?firm statement)?

[Buthelezi] It is (?a firm statement?)

[Bishop] You have a precondition which you have admitted quite openly in that everything must be open.

[Buthelezi] Absolutely.

[Bishop] Have you other preconditions centering on the people you would sit with?

[Buthelezi] Yes.

[Bishop] I mean would you sit with the ANC, will you sit with the UDF?

[Buthelezi] In fact I have always said that you can never find a solution to this country if all the parties are not participating.

[Bishop] So you would expect everybody to...

[Buthelezi, interrupting] Yes, yes Mr Bishop. That is why, for instance, I, in the case of the Buthelezi Commission, I had a seat for the ANC under the commission. I had a seat for the NP in the commission and you may recall this is the reason why the state president as leader of the NP, the ruling party, refused to nominate someone on my commission because he felt he wouldn't allow any nominee of his to sit with the ANC because he regards them as terrorists. But I mean in principle I have always said so. When I talk about the national convention, for instance, when I talk of my involvement in the National Convention Alliance, for instance, I have always said that all parties must participate.

[Krause] On the other hand, chief minister surely then the ANC would have to do something itself to make itself acceptable because here we are talking about democratic processes, and the ANC is committed to violence and I don't see how this kind of talk and that kind of choice could mix?

[Buthelezi] Yes, but I do believe that they should be persuaded, myself, because negotiation involves persuasion, and so I think that...

[Krause, interrupting] And if they can't be persuaded, chief minister, then surely those people like you and the state president who believe in proceeding in a nonviolent way should proceed.

[Buthelezi] You see there is danger there because I am always very conscious of the fact I should not give people an excuse, a pretext, for instance, for saying that because they didn't have an input into the thing therefore they disregard it, they don't regard as representative of their own contribution to the solution. So I would, for instance, welcome, myself, if, for instance, Dr Nelson Mandela, for instance, and Mr Sisulu, Mr Kathrada, Mr (Matsaledi), and also (Zak Mkhutshini) or PAC and others detained, if they were out, if there were a kind of amnesty, and they were out, and they were placed in a position where they chose to do so, they would participate. If they were out, you know in other words at large, and decide not to participate, that will be their own responsibility, but they should be in the same position as myself to make that choice.

[Mashilwane] But Mr Chief Minister, we have got a problem in South Africa where the government says the ANC must denounce violence. The ANC on its part says the government must scrape apartheid. So we are really in a sort of a stalemate situation. How can the negotiating process go on in such a situation?

[Buthelezi] Well, this is what I just said that as far as I am concerned, there needs to be persuasion, but I see Mr Mandela's name was also mentioned in a different context as far as that speech is concerned and I have been negotiating not only with the present head of state but also with Mr Vorster, very vigorously behind the scenes, about Mr Mandela's release and also the late Mr Robert Sobukwe. In fact it was our efforts, through our efforts, that he was released, too.

[Bishop] So how do you see the situation?

[Buthelezi, interrupting] So I mean if the ANC regards--I mean most of the ANC; of course, the question of who is the leader of the ANC is another enigma, because Mr Tambo also says he is the elected leader and also Mr Mandela is also described as the leader of the ANC now. [sentence as heard] But I would say, for instance, if he is here in South Africa, is released, and taking a position where he can exercise his choice, whether he participates in negotiations or not, I would be quite satisfied myself.

[Mashilwane] In other words, chief, would you like to say you expect a sort of conflict of ideology once Mandela is released, I mean the conflict of ideology between Mandela and Oliver Tambo?

[Buthelezi] No. As far as I am concerned, as far as I know both of them well for many years, for almost 40 years, I would say that they are on the same wave-length. I don't know if there is any ideology conflict between them. As far as I know, Mr Mandela is a black nationalist just as Mr Tambo is, as far as I know. I mean neither of them from my knowledge is a Marxist or anything like that, as far as I know them.

[Krause] But on the other hand, chief minister, if the ANC doesn't forswear violence and continues its present violent course, surely these people in South Africa who believe in peaceful relations should get together and stand against other people, whoever they might be, who are looking to a violent solution. Surely the state president has said we are going for power-sharing and the alternative is a violent takeover of power by other people and one ... [changes of thought] after all, I think one can't participate with people who are in an discussions of this nature, especially constitutional, if they are bent on overthrowing order and stability in the country.

[Bishop] So Otto, what is the question?

[Krause] Does the chief minister see any opportunity of carrying on in a body like that with the ANC if the ANC does not forswear violence?

[Buthelezi] Well, my reply to that is that of course the ideal situation is if violence was forsworn, but I don't think as a black leader I could say--

even if I disagree with my brother as far as their use of violence is concerned--that I should also reiterate what the state president says that they must abandon violence before any talks, because as I recall, it was Mr Vorster, in fact, as prime minister of South Africa who was responsible for the release of Mr Mugabe and Mr Nkomo and others and in other words he is the one who initiated the discussions which ended up in the Lancaster discussions. So there is a precedent in southern Africa where although they hadn't fore-sworn violence, in fact the discussions led to the abandonment of violence and to a solution.

[Bishop] Chief minister, this is where I think the whites come in and if they could they would say to you: now here we go again, look at the rest, or most of, independent Africa: violence, every society since colonial times over these last 20 or 30 years have had, almost every society has had some form of violence in it. So the question is, what do you offer the whites of this country as a future?

[Buthelezi] Well, I think that--you know, I am encouraged. I have always stuck to the hope that we can resolve problems in this country peacefully because, you know, there is a very unique society as far as the whole of the continent of Africa is concerned because here we don't have settlers here. We have, for instance, Otto's people who have been here for centuries, we have also been here for centuries and therefore we have a white indigenous population. We share the same right to this country. You people are not expatriates and through, you know, the economy of the country, we, together with the white initiative, their technology, and white technology, and with our labor, we have created this wonder of Africa, this wonderful economy of South Africa, and I believe therefore in the economy, the interdependence between white and black has gone so far today that whites need blacks. They can't do without them, and blacks also need whites. So I believe that this interdependence, the vested interests of both, are of such a nature that I have every reason to believe that--you know, I don't need my head when I say that I am still positive that, not out of love of each other but purely out of their common vested interests that, in fact, it is still possible for black and white in this country to realize that it would be foolish of them to create this wonder and then destroy it. [sentence as heard]

[Krause] Chief minister, you would then also agree that the commitment of the whites should be obtained or retained,--the commitment to South Africa, surely this is very, very important, and I think it is in same line of that commitment (?when) the state president said that neither side should dominate the other. Do you go along with that thesis?

[Buthelezi] Yes, I do agree that there shouldn't be any domination because domination is unacceptable with white or black, so I do believe, of course, myself, that, as I said today at the conference, that when you have a bill of rights and you also guarantee the civil liberties of individuals, in the process you guarantee the civil liberties of groups as well. But I know this is something that can be discussed at the conference table.

[Krause] But I think it very vital if South Africa is to progress, because that commitment is what makes South Africa so different.

[Buthelezi] Yes, I quite agree.

[Krause] That you don't have colonial settlers.

[Buthelezi] No, no.

[Krause] You have committed whites ...

[Buthelezi, interrupting] Absolutely, it is their country.

[Krause, interrupting] For that matter, nationalistic whites.

[Buthelezi, interrupting] It is their country. They have contributed to what it is today. I mean there is no question, I think most credible blacks of organizations in this country, I think even the ANC when I was a member of it, and even the external mission of the ANC lead by Mr Tambo today, just as Inkatha does and I think the UDF, do accept that whites are not expatriates. There is no debate anymore.

[Bishop] Pekwane?

[Mashilwane] Now the question of citizenship: is that how you would have expected to be, I mean, according to me, the state president failed to address the whole issue of universal franchise. How can people get citizenship rights when they are still deprived of universal franchise rights?

[Buthelezi] Well, at one of the congresses where he was speaking, he did speak about universal franchise, which really amazed me too at that time, but then I then got into problems when he went on to say that the universal franchise will be exercised within structures defined by South Africa. Because then I had (?shades) of the tricameral parliament where they say it is the sharing of power in three separate chambers--there is own affairs, there is general affairs, I don't accept that. Now I wouldn't have expected the state president to spell it out completely but quite clearly before one participates, if one is to participate in it at all, those are some of the issues that must be

[Bishop, interrupting] Just a few seconds there, chief minister, I am afraid just a few seconds. So the one-man, one-vote, which you have stressed all along, could that be inside something like an American style constitution?

[Buthelezi] Yes it can be, because I think it is a fallacy to say that one-man, one-vote can be exercised only within a

[Bishop, interrupting] But there are many ways

[Buthelezi, interrupting] ... a unitary State. It isn't true, because no two federations, for instance, are the same. You can have one-man, one-vote but

within a different structure, within a federal state, for instance; it is not the same one-man, one-vote as you exercise in Britain, for instance. So I do believe, therefore, one can exercise one-man, one-vote within a federal framework, for instance, because even in the American system itself, if you were to scrutinize it, you would see that it is quite complex; if you apply this issue of one-man, one-vote you would find that, in fact, it doesn't operate in the same way as it does in a unitary state.

[Bishop] Chief minister, thank you very much. Thank you gentlemen.

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CSO: 3400/1062

SOUTH AFRICA

AZASM ISSUES STATEMENT ON MEDUNSA DECISION

MB101257 Johannesburg SAPA in English 1248 GMT 10 Feb 86

[Text] Johannesburg, Feb 10, SAPA--The President of the Azanian Student Movement (AZASM), Mr Arthur Rantloane, said in a statement in Johannesburg today that it had been noted that the administration of the Medical University of South Africa (MEDUNSA) "has finally seen reason and agreed to the students demand for scrapping the exclusion rule."

He said the rule "basically seeks to undermine the production of health professionals in the black community."

Of another demand of the students, the expelling of white undergraduate students from MEDUNSA, Mr Rantloane said:

"... Whereas AZASM fully subscribes to the view (that) universities should be open to all without regard to race, color or creed, the black students of our country need to be protected for as long as we have an education system that is ethnically orientated and racially stratified."

The attitude was brought about "simply by the fact of a system that offers many options of choice of university to members of the minority class whilst limiting the black student to only a handful of largely second grade universities."

Mr Rantloane said it has been noted with regret that some newspapers and some individuals view the action by MEDUNSA as "apartheid in reverse."

"It should, be appreciated that black students have seen through Botha's reform processes which are aimed at quelling the anger of the oppressed and exploited and the soliciting of international support without dismantling a system that renders them slaves in the land of their birth," Mr Rantloane said.

"We believe that there can never be equal education in an unequal society."

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SOUTH AFRICA

BRIEFS

FAMILIES MOVED TO CISKEI--Pretoria is moving about 50 families from the black spot at (Ngwali) in the Eastern Cape, into Ciskei. Frans Kruger reports. [Kruger] Residents say the government trucks arrived early this morning, and began moving the small minority of people in (Ngwali) who support removal to Ciskei. This follows a demonstration outside the South African Embassy in Ciskei in which this group demanded to be moved into the homeland. They claim to have been threatened by the majority, who (?oppose) removal. A Ciskei government spokesman said today's removals followed lengthy talks between South Africa, Ciskei, and the group. He said they were being moved to [word indistinct] the site originally set aside for settlement by the residents of (Ngwali). South Africa is to provide the group with tents and food for the initial period. [Text] [Umtata Capital Radio in English 1700 GMT 10 Feb 86 MB] /12712

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SOUTH AFRICA

ORGANIZATION FORMED TO BOOST NATION'S IMAGE

Johannesburg THE STAR in English 6 Feb 86 p 7

[Article by Sue Dobson: "Body Formed to Boost South Africa's Image, Counter Negative 'Info Onslaught'"]

[Text]

An organisation aimed at improving South Africa's image at home and abroad was launched in Johannesburg yesterday.

The International Interaction Foundation (IIF) hopes to enhance South Africa's image to benefit business and sport by counteracting the "onslaught and disinformation campaign levelled against the country".

According to the executive director of the organisation, Dr Ludi Koekemoer, the body is non political and non-profit-making and is funded by business and sport.

"We believe the time has come for business and sport to join forces and fight back. We must market South Africa to South Africans and the outside world," he said.

Members believe the foundation will offer South African business and sport an open forum where people can act as mouthpieces to improve local and international opinion on South Africa.

At a Press conference yesterday, Dr Koekemoer said South Africa had not been successful in communicating the "true facts" about political developments to the outside world.

Positive developments in the country were often ignored or sneered at by the local and international media, while negative aspects were often considered newsworthy, he said.

Chairman of the foundation is banker and Ellis Park Stadium chairman Mr Johan Claasen.

The foundation will be governed by a president, a board of trustees and a council consisting of representatives of business, sport and media committees.

The IIF's statement of intent reads that the body will:

- Liaise with South African and international business and sport in an organised way through selected, independent strategic committees.
- Act as a united mouthpiece for South African business and sport through research, regular meetings of the strategic committees and communication with business, sport, the media and the Government.

COURSES OF ACTION

- Inform South African and international business, sport and media about the "true" state of affairs regarding economic, sporting and political issues through members of the IIF, the South African and international media, conferences, visits, documents, videos and other means.
- Involve business, sport and the media by planning courses of action with the co-operation of the strategic committees.

Dr Koekemoer said the organisation had held talks with black community leaders, but declined to mention names, saying that those who had been consulted preferred to give the organisation a chance to prove itself before revealing themselves.

No talks had been held with organisations such as the UDF and the ANC.

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SOUTH AFRICA

INTRODUCTION OF BILL OF RIGHTS DISCUSSED

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[Discussion with Professor B. Ranchod of the University of Durban-Westville and Professor S. Strauss of University of South Africa, UNISA, moderated by Christopher Dingle, on the "Network" program presented by Michelle Alexander--live]

[Text] [Alexander] The state President, Mr P.W. Botha, sailed close to the terminology of a bill of human rights in his opening speech to parliament, when he mentioned human dignity, life, liberty, and property as basic values that had to be protected by the sovereignty of the law in this country. Christopher Dingle discussed the application and possible advantages of a bill of rights in South Africa with Professor B. Ranchod of the University of Durban-Westville and Professor S. Strauss of UNISA.

[Dingle] We believe in the sovereignty of law and equality before the law. We believe that human dignity, life, liberty, and property of all must be protected, regardless of color, race, creed, or religion--that is an extract from the state president's recent speech, a very important speech. But can all of these be accommodated within our present judicial system? Professor Ranchod?

[Ranchod] Well, I have no difficulty with that, because all the principles are well established in our South African common law, which has its roots in the Roman-Dutch law and the English common law.

[Dingle] Now, that is normally known as the unwritten law, but we also have a thing called statutory law. Professor Strauss? Can it be accommodated?

[Strauss] Not within the present system of statutory law, for the simple reason that we have 'x' number of statutes that encroach upon, for instance, the principle of equality, of liberty before the law.

[Dingle] Would you agree with that, Professor Ranchod?

[Ranchod] Yes, I certainly do. The principle of equality of law is in fact one which is given lip service. Lip service is in fact paid to this principle, but where a judge is confronted with a statute which is discriminatory in character, he has to apply that statute.

[Dingle] In other words, he is not able to overrule parliament? Parliament is sovereign?

[Ranchod] Yes. In our constitutional system it is not possible for the courts to do so.

[Dingle] Now, as I understand the words used by the state president, this amounts almost to a promise of a bill of rights, does it not?

[Strauss] Yes, it certainly sounds like the contents of a bill of rights. And I think that you will not find a lawyer, a judge, a jurist in South Africa disagreeing with those words, with the ideals embodied in the state president's speech.

[Dingle] Could you explain what a bill of rights actually encompasses, Professor Ranchod?

[Ranchod] Well, it is really a document, normally, which is entrenched in the constitution of a country, in terms of which the fundamental liberties of the citizen are protected against abuse of power by the government or by the executive, and many modern constitutions contain bills of rights.

[Dingle] Now, how can one guarantee those rights? I mean, what sort of watchdog organization do you have to protect those rights?

[Ranchod] In some countries, like in West Germany, one has a constitutional court. In the United States, the American Supreme Court plays a very important role in ensuring that the fundamental rights of the subjects are protected. But it also has a very important educative function, not only to the legislature, but also to the general public, and to authorities who have to exercise power.

[Dingle] Do I understand from that that if a bill of rights is incorporated into a constitution, then the courts are the watchdogs and, therefore, the courts also have testing powers of any other laws which are passed?

[Strauss] Oh, yes. I think that that is vitally important, that the right of testing means that a law, a statute of parliament, can be tested against the principles embodied in the bill of rights.

[Dingle] So that ...

[Strauss, interrupting] That does not exist in South Africa today, as in England, for instance. England does not have a bill of rights.

[Dingle] So the supreme court then, theoretically, with a bill of rights incorporated into the constitution, would be able to say: Well, this law which had been written is unconstitutional, and throw it out?

[Ranchod] Yes, if it is in conflict with the bill of rights. And it is quite interesting that Bophuthatswana, for instance, has a bill of rights, and

it seems to have had a very positive effect already in that territory. And there are South African supreme court judges who have come out openly in support for a bill of rights, who have at the present time to apply laws which run contrary to our common law traditions and which in fact run contrary to fundamental human rights, as they are established in international law.

[Dingle] One must not also overlook that naturally South Africa has a severe security problem on the go at the moment. Can a bill of rights actually be effective where security laws possibly must be imposed?

[Strauss] I do not think that we can introduce a bill of rights overnight into our society. I think it would be disruptive. I think it is an ideal. My feeling is that the ground should be prepared, as it were. Supposing that we were to introduce a bill of rights overnight, the Internal Security Act would largely be declared null and void by a court of law, which may seriously embarrass the government in a situation such as we have at present. By that I am not saying that we should not strive actively, and strive mightily, towards the introduction ultimately of a bill of rights.

[Dingle] Professor Ranchod, in the latest legal magazine DE REBUS you report back on a conference which you attended, in which you found that there was some feeling that the blacks were totally out of sympathy with the South African judicial system. Is that correct?

[Ranchod], Well, with the South African legal system, their experience of the legal order is primarily that of the criminal law of the police. They see the negative side of the law, and do not fully experience the protective role which the law has and, after all, a society ordered under law is a much better society than one which is not. That is the reason why law established itself in societies around the world. But we live in times when people are in fact showing growing disrespect for the law, because it does not coincide with their moral norms, and they see it as violating some of their basic Christian beliefs.

[Dingle] You said in that article it is vitally necessary to restore black confidence. Would something like this proposed bill of rights do that?

[Ranchod] Certainly. I think that if one had to dismantle those laws which are in conflict or which violate human dignity, then I think one would go a long way towards reconciliation in South Africa. And although the law cannot solve all this country's problems--certainly in England, having race relations acts or other countries having bills of rights, even the United States has not solved all the racial problems which confront those societies--nonetheless, I think in the South African situation, it would be a major step forward if fundamental rights received official protection under our law.

[Dingle] Now, we are at the moment talking theoretically. It is hypothesis, we are guessing. But take a look at the cost of law to the man in the street. Now, even if you have got the bill of rights, and he can approach a court to retain the guarantee of those rights, where does he find the money? How does he actually get access to the law?

[Strauss] This is a very tender point, if I may put it like that. We are far from an ideal system in that respect. To a certain extent, relatively

speaking, our courts are inaccessible because of the cost factor. One would, ideally, envisage a good system of legal aid, to enable indigent plaintiffs, people who cannot afford it, to put their cases before a court, to do that. You would find this in most democratic societies today. Of course, we have a legal aid system in this country. It is doing a splendid job, but it is still not capable of handling all the possible cases.

[Dingle] We are not unique in the fact that law has sort of got out of the reach of the middle class, especially the blacks, are we? I think you have an example from India.

[Ranchod] Yes, I think the present chief of justice of India has stated that for the majority of the people, many of the rights which are entrenched in the Indian Constitution are really paper rights. But nonetheless, he, as chief justice, has taken the initiative to ensure that the poor have access to the courts, and he has made a number of innovative suggestions in this regard.

[Dingle] Which would you say is the most important there?

[Ranchod] Well, I think the right of any member of society to petition the court and for the court, the supreme court, then to appoint lawyers to argue a particular case. This is one of the ideas that has been suggested. The other point which I would like to mention is that the use of negotiation procedures rather than two lawyers standing up in court and arguing with each other, would appear to be more cost effective and would provide relief much more quickly than our present system does.

[Dingle] So rather go to the department or the statutory body which is concerned--let us say a Department of Labor--and sort it out there, rather than go to court?

[Ranchod] Yes, but ideally, one should have lawyers to do this, but it also involves the training of lawyers to adopt the attitude that rather than take fine points, rather try and resolve disputes between two individuals.

[Dingle] Now, that seems to me to be an important point, because in America one sees the universities actively encouraging civil rights interests in lawyers, to the degree that they will go out and do it for nothing. Are we doing that at our universities?

[Strauss] Oh, yes. I think that just about all universities in this country--the law faculties--now have legal aid centers, or legal aid bureaus, or legal resource centers. And to take Witwatersrald University, for an example, it has brought before the courts--its legal resources center--a number of vital cases, cases vital to the enforcement, upholding, of human rights.

[Dingle] That is all very well, but once the person leaves university, he is suddenly caught up in, let us call it business. If he is an attorney, he is actually in big business, is he not?

[Ranchod] Yes, well, I think also that the tragedy is that in South Africa the rural areas are very poorly served. Most lawyers tend to gravitate

towards the urban areas, because that is where big business is located, and that is where money is easily available. So, whilst the legal resources center has done a great deal of work, useful work, I think that I would like to see several rural legal resource centers established, but I would like to underline the need for political reform, because ultimately it is... [changes thought] there is only so much which the court can do in... [changes thought] they cannot make an unfair law fair. What they can do is to promote social justice and provide relief. So we do require political reform in addition to law reform.

[Dingle] Well, gentlemen, I am going to be most unfair and ask you which came first, the hen or the egg? Which is first, law or reform?

[Strauss] Well, that of course is the \$64,000 question. I think they really go hand in hand. But I would feel that if we talk about the notion of a bill of rights, then we should first advance our society, we should reform our society, so as to create the right atmosphere for this tender plant to grow.

[Dingle] Are you suggesting that negotiation within the political system must precede a change as drastic as a bill of rights?

[Strauss] Yes, I think that in our particular society, that is my personal view.

[Dingle] Professor Ranchod?

[Ranchod] Well, I would like the two to go in tandem. Obviously, I think as an idealist I would like to see the government commit itself to the statutory protection of fundamental rights and to embark on a program which will lead to the dismantling of all laws which conflict with those very valuable rights which we inherited from our forebears.

[Dingle] And finally, gentlemen, very shortly, what about the education of the public? Does that not precede everything?

[Strauss] Well, this is another point that I wanted to bring up. I am glad you are bringing it up. Certainly, a bill of rights is very much dependent on the culture in which it exists, and that can only really be successful if it is supported by not only the government, but by the public at large, and I think that there is a good deal of education to be done, prior to the actual introduction of a bill of rights.

[Dingle] Professor Ranchod, again, very shortly, do you see that this is the right climate at the moment for that education to proceed?

[Ranchod] Well, I think that in a crisis situation, one can embark on major reforms, and I do believe that if we look around at the confidence which all the race groups in our country have in the courts--black trade unions, Indians have for a long time used the courts to seek justice, the white group, of

course--I have no doubt at all that the value system in South Africa is common among all the groups, and there is still a great deal of confidence left in the courts, and that this should be taken advantage of before it is totally eroded.

[Dingle] Thank you, gentlemen.

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CSO: 3400/1061

SOUTH AFRICA

WEEKLY MAIL CARRIES 'APARTHEID BAROMETER'

MB090511 Johannesburg THE WEEKLY MAIL in English 7-13 Feb 86 p 4

["Apartheid Barometer"]

[Excerpts] 1985 DETENTIONS (Detainees Parents Support Committee [DPSC] figures)

Total number of detentions Jan 1-Dec 27, 1985: 10,998

State of emergency detentions 1985: 7,361

Security detentions 1985: 3,637

(1,684 of these detentions occurred under South African security legislation, of which 1,168 involved the use of Section 50 of the Internal Security Act, 1,848 occurred under Transkei security legislation, 99 under Ciskei security legislation and six under Bophuthatswana security legislation).

The DPSC estimates that more than 25,000 people were arrested for alleged political offences last year, bringing the total number of arrests and detentions to more than 36,000.

STATE OF EMERGENCY DETENTIONS (July 22, 1985-Jan 20, 1986)

Number of people detained so far:	7,618
Number released:	7,283
Number still held on Jan 30:	335
Number still held on Jan 23:	37
Number detained Jan 1-30:	257

UNREST DEATHS (South African Institute of Race Relations [SAIRR] figures)

Feb, 1984-Jan 31, 1986:	1,225
Sep, 1984-Jan 31, 1986:	1,197

Jan 1, 1985-Jan 31, 1986:	1,048
Jul 21, 1985-Jan 31, 1986:	714
Nov 2, 1985-Jan 31, 1986:	369
Jan 1-Jan 31, 1986:	169
Daily death rate:	
Over last two years:	1.68
Since State of Emergency (Jul 21):	3.69
Since press clampdown (Nov 2):	4.10
In first month of 1986:	5.47

The death rate for January this year was higher than for any other since the unrest began. 67 of these deaths occurred in Natal "faction fights," a category previously not recorded in SAIRR statistics. If this were included it would leave a figure of 102 deaths, surpassed only by August 1985.

INSOLVENCIES AND LIQUIDATIONS (Dept of Statistics figures)

Insolvencies:

1980:	1,003 (83.6 a month)
1981:	831 (69.2 a month)
1982:	998 (81.5 a month)
1983:	1,201 (100 a month)
1984:	1,637 (136 a month)
1985 (Jan-Nov):	3,007 (274 a month)

Liquidations:

1980:	1,441 (120 a month)
1981:	1,837 (153 a month)
1982:	1,957 (163 a month)
1983:	2,275 (189 a month)
1984:	2,675 (223 a month)
1985 (Jan-Nov):	2,673 (243 a month)

In the three months to the end of November last year, compared with the three months in the same period in 1984, the number of insolvencies increased from 566 to 979--an increase of 73 percent.

EMIGRATION/IMMIGRATION (Dept of Statistics)

Emigration:

Jan-Oct, 1985: 9,280 (930 a month)

Jan-Oct, 1984: 6,808 (681 a month)

1,301 of the 1985 emigrants were professional or technical workers compared with 934 the previous year

Immigration:

Jan-Oct, 1985: 15,414 (1,541 a month)

Jan-Oct, 1984: 24,844 (2,484 a month)

Net gain--immigrants over emigrants: 1985: 6,134 1984: 18,036

FOREIGN VISITORS TO SA (Dept of Statistics)

Oct, 1985: 59,671

Oct, 1984: 68,684

INDUSTRIAL DISPUTES (SA Dept of Manpower figures)

Number of workers involved in strikes

1985: 239,186

1984: 182,000

DEFENCE SPENDING

In addition to the approximately R3.8-billion allocated to the Defence Budget last year, the following amounts were allocated to the SADF:

Defence buildings and property (Department of Public Works vote:

R133.25-million

South West Africa Territorial Force: R142-million (Finance Vote)

The exact amount of money in the Special Defence Account is unclear.

During the 1984 Defence Budget debate the Auditor General said it was over-drawn by \$105.5-million.

Undisclosed amounts of foreign exchange from overseas sales of SA arms are channelled into defence spending.

According to United Nations reports total defence spending in South Africa exceeded R5-billion last year.

BANNED BOOKS, PUBLICATIONS AND OBJECTS (Jan 24-31): "Teachers and Classes, a Marxist Analysis" (Kevin Harris); "For My People: Black Theology and the Black Church" (James H. Cone).

UNBANNED: "Marx's Theory of Alienation" (Istvan Meszaros); "To be Born a Nation" (SWAPO) was unbanned for publication.

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CSO: 3400/1061

SOUTH AFRICA

BRIEFS

ENROLLMENT RISES AT TECHNIKON--There has been a marked increase in student enrollment at Technikon Witwatersrand this year. During the first five days of registration, 476 more students enrolled compared with the corresponding time last year -- an increase of about 10 percent. This figure does not include late registrations or students studying optometry and pharmacy. The Technikon's School for Secretarial Training has about 50 percent more students than last year. [Text]
[Johannesburg THE STAR in English 5 Feb 86 p 13] /12851

CSO: 3400/1055

SOUTH AFRICA

KRUGERRAND SEEN AS ALTERNATIVE FORM OF INVESTMENT

Johannesburg SUNDAY TIMES (Business Times) in English 26 Jan 86 pp 5, 8

[Article by Ciaran Ryan: "Krugers Bring Home the Bacon"]

[Text] **THE** flurry of activity in the gold market sent the Krugerrand price above R850 an ounce this month.

It is interesting to look at Krugerrands as an alternative form of investment. Last year the price of Krugerrands moved up 44%, virtually the same as the Johannesburg Stock Exchange Actuaries overall index.

The price of a one-ounce KR rose from R607 in January to R873 in December 1985.

The JSE overall index moved from 975 in January last year to 1300 in December and is now a little below 1400.

The JSE's overall performance last year was dominated by the mining and mining financial sectors, so it is not surprising that KR's should offer a similar return to investors.

KR's are frequently overlooked — in spite of the fact that they have consistently beaten inflation and most other forms of investment.

Last year investors in coins would have been happy with their return of 44% when inflation was 17%.

KR's outperformed most other investments. Interest rates on fixed deposits slipped from 23% to about 13% in the past six months. As a result there has been a rush out of fixed deposits into shares and unit trusts.

Liquidity

Unit trusts performed well — UAL Mining and Trustgro had all-in returns of more than 35% last year and most

of the other trusts had yields of above 20%, largely on the back of the mining sector.

A major advantage of KR's is liquidity — coins are readily traded.

Tim Watson, manager of the Hard Asset Exchange, says interest in the coins increases when the gold price is high.

Mr Watson says: "Krugerrands prices follow the gold price. Last year one-ounce coins went above R900, but the recent strengthening in the rand has depressed the price."

"So not only does the gold price influence the Krugerrand price, but the rand-dollar exchange rate has a strong bearing on it."

To calculate the price of a KR one has to convert the gold price in US dollars to rands. The weakening of the dollar resulted in a strengthening of the rand, together with a lower rand price for gold.

People turn to gold in times of political or economic uncertainty. It represents a solid asset and a hedge against inflation.

Ten days ago the price of gold shot briefly above US\$370 and an ounce of gold was being sold on the futures market for US\$390. Interest in KR's was intense as investors saw a golden — excuse the pun — opportunity for speculation.

Demise

Proof KR's are bad news because the demise of the SA Gold Coin Exchange (SAGCE) in 1985 brought the entire market down with it.

Top-grade proof coins are trading at a premium of about 10% to ordinary coins compared to a premium of 100% when SAGCE dominated the market. Low-grade proof coins are trading for virtually the same as ordinary coins.

Ex-chairman of SAGCE, Eli Levine, has made an offer of compromise to creditors that will enable him to restart the business and resuscitate the proof market.

Holders of proof coins, of whom there are 200 000, are waiting for Mr Levine's return before disposing of their coins. But given SAGCE's shaky past, investors are unlikely to take this market too seriously.

There are 51-million ordinary Krugerrands in circulation, and fewer than 2-million in SA. Provided the gold price remains above US\$350, the marketability of the coins in SA and abroad will improve.

Don Mackay-Coghill, chief executive of Intergold, marketing arm of the Chamber of Mines, says the KR market is likely to pick up this year following the rise in the gold price.

He says: "As the gold price moves up it becomes more attractive for the small investor to move into gold.

"There is a belief that interest rates in the United States will drop, resulting in a weakening in the dollar and a rush into gold. But it is too early to say whether this will be sustained."

KRs have been squeezed out of world markets by a ban on new imports of the coin in the United States and Japan. The 49-nation Commonwealth and other Western nations have agreed to restrict imports of KRs as a form of limited sanctions against SA in protest against apartheid.

The United States will launch its own gold coin, the Eagle, in October this year.

The recent surge in the gold price was due in part, it

is thought, to demand from Japan for an estimated 200 tons of gold to mint its own coin.

In November last year Intergold stopped the minting of KRs because of the drop in demand. Mr Mackay-Coghill says there is nothing unusual in suspending production as it has been done many times in the past.

Last year sales of KRs were worth \$657-million. The ban on the import of new coins in the US and Japan does not imply these sales will be lost to SA as gold can still be exported in the form of bullion. The KR accounted for 2.6-million ounces of total world coin sales of 4.2-million ounces in 1984.

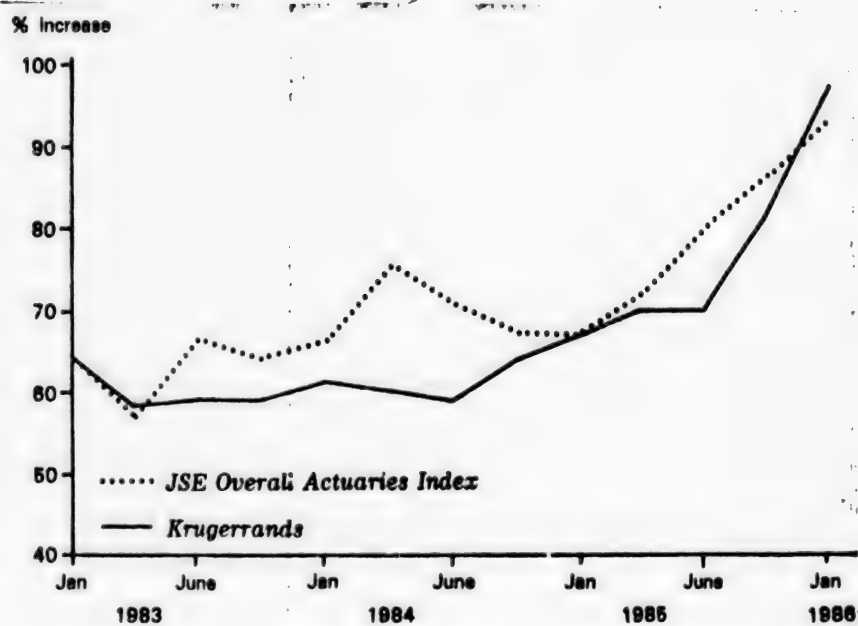
Symbolic

A recent report in *Businessman's Law*, written by Iraj Abedian and Brian Kahn, lecturers at the University of Cape Town, says the ban on KR imports is a symbolic gesture that will have no major impact on gold output in SA.

The report says the ban will merely redistribute the modest profits made on KR sales from SA to other coin producers. Gold sold in the form of coins as opposed to bullion attracts an average 3% premium over the gold price. The value added to the gold as a result of the coin premium amounted to \$19-million in 1984, representing only 2% of SA's total gold production.

Until 1975, US investors were not allowed to hold gold coins. The lifting of the ban gave a huge impetus to the KR market, increasing sales from 400 000 in 1971 to 4.7-million in 1975. KRs were launched to make a market for small investors and so stimulate the sale of gold.

KR sales in the UK have slumped because of a 15% tax on the coins as well as customer resistance because of negative publicity about SA.



Overall JSE Actuaries Inde.. and Krugerrand prices expressed as percentages

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CSO: 3400/1048

SOUTH AFRICA

EXPORT, PRICE FEARS STRAIN COAL SHARES

Johannesburg SUNDAY TIMES (Business Times) in English 26 Jan 86 p 3

[Article by Brendan Ryan]

[Text] **MARKET** sentiment is turning against coal shares.

However, there could be sound reasons for taking a contrary view on the coal sector's prospects and either keeping the shares or using weakness as an opportunity to get in.

The factors against coal shares include the softening of export markets which have been made worse for SA by the threat of boycotts.

International steam coal prices have fallen to \$30 a ton for certain grades from about \$32 last year.

Firmer rand

The adverse price movement has been made worse for the SA producers by the rand's strengthening of 16% to 44 US cents.

A ton of export steam coal was worth about R84 last year at \$32 a ton and 38 US cents to the rand, but is now worth about R68 at \$30 and 44 US cents.

Political troubles have encouraged consumers to try to depress SA coal prices because of the potential risks they see in dealing with producers here.

The risks include disruption of SA mining and the threat of union or government action in consumer nations following steps taken against SA coal exports by Denmark and France.

The so-called political discount factor has re-emerged. When it was last a market feature, SA coal exporters received up to \$5 a ton less than the market price.

Inflation

Coal exporters are fighting tooth and nail against such a development recurring.

One guideline as to how exporters see the position is the decision to hold the Phase 4 expansion of the Richards Bay Coal Terminal to about 70-million tons initially from previous estimates of 78-million tons a year.

So much for the gloom. The mitigating factors in the short term involve the extent of forward cover taken out on expected dollar export receipts by coal companies and the implications of SA's zooming inflation rate.

Longer-term factors are the expectations that world steam coal exports are still projected to show steady growth into the next century and by the policy of diversification of sources of supply followed by customers. They indicate markets for SA coal will still be available.

Sell advice

Other major exporters like Australia and Poland also have their problems. At prices of about \$30 a ton, high-cost US coal mines are priced out of the market.

Amcoal and Trans-Natal cover expected dollar revenue, which means their results this year should show the benefit of covering in at the low levels the rand hit in 1985.

Neither will specify the earnings covered, but in the case of Trans-Natal they could be as high as 50%.

One of the consequences of a high inflation rate — 18.4%

in the 12 months to December — is downward pressure on the rand. Its potential to strengthen is limited and it could even weaken.

That is bad news for consumers, but good for exporters.

Market leader Amcoal has come off 15% to R53 a share from a peak of R62,5 in November, apparently on market belief that its exports were hit by exposure to the French/Danish contracts.

Caution

Trans-Natal has dropped 10% to R12,5 from R13,85 earlier in the year. Trans-

Natal did not have any contracts with France or Denmark — other than its share of the Transvaal Coal Owners Association (TCOA) orders — so the drop appears to be on investor caution on the export market generally.

Trans-Natal has a proportionately greater exposure to the export market than the other coal majors. They do more domestic business, supplying Escom power stations.

Some broking firms have advised clients to sell coal shares. Small investors should perhaps take profits and follow that advice — but be prepared to get back fast.

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CSO: 3400/1046

SOUTH AFRICA

UCT ECONOMIST DISCUSSES INFLATION FORECASTING

Johannesburg BUSINESS DAY in English 29 Jan 86 p 6

[Article by Jos Gerson, lecturer at the School of Economics, University of Cape Town: "Forecasting Inflation and the 'Real' Exchange Rate"]

[Text] **THERE** is a great deal of confusion about the current determinants of inflation in SA. Economic textbooks and journal articles are likely to be unhelpful in this regard, because research into the kind of exchange rate problems that afflict us is still in its infancy.

Economists are forecasting an inflation rate of around 20% (*Standard Bank Fund Managers' Report*, 4th quarter, 1985). That may or may not prove to be broadly correct, but one desires to know their reasoning.

There are at least two misleading ways of thinking about inflation under current circumstances. One way is to take the old "cost-push" line and argue that, since the economy is rather "slack," inflation is likely to remain relatively low in the coming year — lower than, say, the current 18%.

That line of reasoning is theoretically and empirically insupportable. The idea that fast-growing economies necessarily engender high rates of inflation and vice-versa is and always has been preposterous.

The prolonged recovery of the US economy with continuously low rates of inflation provides the starkest evidence to the contrary in recent times.

Another view is that inflation in 1986 must be very high (much higher than it was in 1985) because the full effect of the fallen rand will work its way through to a broad range of prices.

This view is logically defensible and there is probably a great deal of truth in it — yet it ignores a very important phenomenon, namely the fall in our (equilibrium) "real exchange rate".

What do I mean by the "real exchange rate"? It is defined by the amount of foreign goods that an average local income can purchase.

In the last 18 months, SA has experienced an extraordinary deterioration in its real exchange rate. We all know that it has been caused by political factors and the fall in the dollar-price of gold.

What is not so obvious is that depreciating currencies as such do not necessarily imply a fall in the real exchange rate. Rapidly-inflating countries — such as Israel, for example — have experienced precipitous declines in the value of their currencies, but much of the time inflation kept up so that purchasing power over imports remained largely unaffected.

Weighted

A 100% increase in the number of shekels per dollar was often

matched by an equal percentage inflation of prices for the period concerned.

That has not happened in SA. From June 1984 to August 1985, the number of rands per dollar increased by roughly 100%, but inflation for the period emerged in the region of only (!) 20%.

Most inflation measures (e.g., the CPI) are a *weighted average* of all prices, including both highly-inflated imports and lowly-inflated services comprising chiefly rents, salaries and wages.

Since import prices have clearly been on the upper side of the official average CPI rate of 18.4% in the 12 months to December and the percentage increase in rents, salaries and wages on the lower side, our purchasing power over foreign goods and services has fallen drastically; that is to say, our *real* exchange rate has deteriorated.

Bearing all this in mind, what will happen if SA's economic fortune recovers? Perhaps the rise in the dollar-price of gold will endure (either as a result of an increase in world tension or a resurgence of US inflation)?

What if, as is plausible, investors discover that they have underestimated the short- to medium-term political, military and economic stability of the country and therewith the price of SA-based assets and the riskiness of loans to this country?

Is it not possible that foreign investors over-reacted in the heat of the crisis? Sooner or later, foreign lenders will either regain their confidence or the debts will be paid off. SA's indebtedness as a percentage of its GDP — 43% — is within acceptable and manageable limits.

When this happens, the haemorrhage on the capital account will close. The need to sustain such a poor real exchange rate in order to promote exports in order in turn to repay our debts, will vanish.

The real exchange rate will then recover. It may happen in 1986 or 1987, but sooner or later it is bound to happen. One of the critical questions is *how* it will happen.

There are two possible routes to a recovery in the *real* exchange rate:

1. — The less likely route involves an unsuppressed appreciation of the rand against most foreign currencies. The scope for that is fairly limited.

The effect of an appreciating rand would be to *reduce* the price of imports, importables and exportables (so-called "tradeables") in line with the price of "SA-bound" assets, such as labour, real estate, derived services, etc (so-called "non-tradeables").

2. — The second, more likely, route involves no change in the nominal exchange rate; that is to say, no appreciation in the rand.

A recovery of the *real* exchange rate then implies *raising* the price of SA-bound goods and services to bring them in line with the price of imports, importables and exportables.

Both routes involve exactly the same realignment of prices: namely the price of tradeables *vis-a-vis* the price of non-tradeables. Yet the first route comes out in the wash as a *reduction* in the inflation rate, whereas the second route emerges as an *increase* in the inflationary rate.

Why do I think that a recovery, when it occurs, will come out predominantly via the second (more inflationary) route? Recent experience (since 1979) amply demonstrates that the Reserve Bank dislikes an appreciating rand much more than a depreciating rand (although the recent depreciation clearly exceeded even the Bank's wishes).

An appreciating currency hurts the exporters, whereas a depreciating currency helps them.

Our Reserve Bank clearly desires to mollycoddle this sector, although its motives are not absolutely clear to me. It could be the political clout of the exporters, who chiefly comprise the farmers and the mining houses.

It could also be the mercantilist spirit that pervades govern-

ment thinking in this country.

A peculiar "twist" arises when a recovery takes place via the second route. The recovery then inevitably spells an increase in the inflation rate!

Distaste

Economists and politicians may wring their hands in despair at the news of the rising inflation even as it signals the end of the recession.

Of course, rising inflation *need not* signal a *genuine* recovery. It could merely reflect additional excessive money creation. Perhaps the point can be made another way: given the Reserve Bank's distaste for an appreciating rand, an inflation rate of no more than 17% will reflect a failure of the economy to recover.

A central assumption I am making is that government can do very little to effect a recovery.

Abracadabra solutions to the political problems are not around the corner.

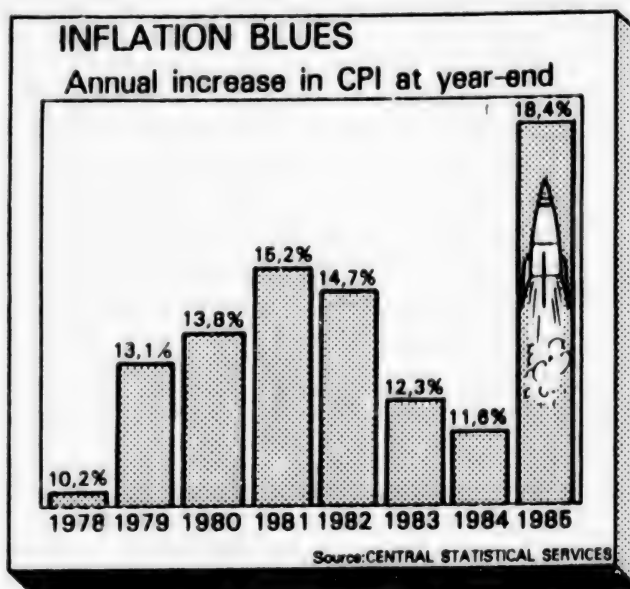
Attempts to stimulate the economy by money-creation, if effective, will prove to be short-lived and, if sustained, will aggravate inflation and depress the exchange rate further.

Fundamental adjustments and re-assessments mentioned above will eventually permit a recovery.

When it occurs, the sole power of the Reserve Bank will be to choose between routes 1 and 2 — namely, to allow or disallow an appreciation of the rand.

If it largely disallows it — as I think it will — the recovery will be accompanied by a massive but short-lived jump in the price of non-tradeables.

It is undoubtedly a pity that the disinflationary route of exchange rate appreciation will not be followed. Nonetheless, with or without inflation, when a genuine recovery occurs, there will be much reason to rejoice.



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CSO: 3400/1057

SOUTH AFRICA

INFLATION-TAX ISSUE ASSUMING ALARMING PROPORTIONS

Johannesburg BUSINESS DAY in English 31 Jan 86 p 4

[Commentary by Barry Sergeant: "Is Inflation the Most Sinister Tax Invented?"]

[Text]

PERHAPS the most sinister form of taxation ever invented is that omnipresent economic monster — inflation. With the latest inflation rate in excess of 18% the inflation/tax issue has assumed alarming proportions in a country paying its highest tax bill ever.

One of the more basic concerns is that yields from savings — interest, dividends, rent — are taxed at the taxpayer's marginal rate without any recognition of inflation whatsoever. The results are reflected in chronic low national savings levels.

Historically, tax systems have come to benefit in countless different ways from inflation. Because most taxes are expressed as a percentage of the tax base, the higher the inflation rate, the greater the cash flows into government's hungry coffers. Seen in a broad context, it is not only tax law which has failed to recognise the incidence of inflation in SA. The legal system as a whole is at fault; by implication, of course, the legislature. There is also a dreadful dearth of academic or official research on the matter — despite double digit inflation since 1974.

Endemic inflation allows for higher tax collections without an official increase in tax rates. That is very good for governments and very bad for taxpayers.

Distorted

Fisher Hoffman Stride's Solly Gerber, in a paper prepared on behalf of the SA Institute of Chartered Accountants for submission to the Margo Commission on tax, drew the following conclusions on SA inflation:

- Inflation pushes more taxpayers into the top marginal rate of the income tax bracket;
- Inflation increases substantially the value of tangible assets, making greater numbers of taxpayers liable to pay estate duty — which previously affected only the wealthy;
- Inflation forces taxpayers to pay an increasing proportion of their pre-tax income in tax; and
- Inflation distorts tax collection patterns by placing an increasing proportion of the tax burden on individuals.

The most effective way for a government to profit from inflation in the tax system is to exact a tax in percentage terms. This way tax is levied at a proportional rate, as a fixed percentage of the tax base. This method is self-adjusting as regards inflation.

Examples in the SA tax system abound: the 12% GST; the 5% transfer duty for company property acquisitions; the 50% company tax rate; the 15% non-residents shareholders' tax; the 10% non-residents tax on interest; and the stamp duty on shares transferred.

When the tax rate varies according to amounts expressed in nominal monetary terms, distortions increase disproportionately as the inflation rate increases. SA examples of this nature are the personal income tax tables; the block rates of donations tax and estate duty; and the split rate of transfer duty on immovable property bought by natural persons.

Examples of taxes extracted as a *fixed amount of a transaction or item* — where the taxpayer pays a constant amount until rates are adjusted by Parlia-

ment — are as rare as hen's teeth in SA. As inflationary pressures increase retail prices, so proportional taxes, such as GST, cut deeper into the taxpayer's pocket. Over the past year the petrol price has increased by 60% (January-January), with the extra flow into state coffers from GST measured in terms of hundreds of millions of rands.

In the personal income tax arena, inflation is a difficult concept to grapple with — hence, perhaps, its continued use by the authorities. Its effect on tax liabilities is known either as fiscal drag or bracket creep. These catch phrases mean that as pay is increased to compensate for inflation, the tax tables take a bigger proportionate bite of pay as the taxpayer moves into a new bracket.

Governments also benefit from the effect of inflation on the corporate sector. When an allowance is claimed on the acquisition of capital equipment, for example, the main cash-flow benefits may only be manifest 18 months down the line — substantially eroded by inflation.

Generally speaking, examples of foreign experience in legal systems show that there are no legal impediments to adapting the law to the devaluation of money. Australia, Canada, France, the Netherlands, the UK and US have indexed various tax rates to inflation now or in the past. In Switzerland the obligation of government to adjust federal income tax for individuals is entrenched in the constitution, although it must be implemented in each canton. West Germany and New Zealand, like SA, mainly ignore inflation.

The graph (above, right) shows the effect indexation would have had on tax receipts in the Federal Republic of Germany. In 1974 income tax collections indexed for inflation would have been DM78bn. The actual take was 26% more than this at DM99b. But no relief is possi-

ble without the political will on the part of government to acknowledge the inflation problem.

The solution is double-edged: tax rates are expressed at a fixed rate per item or transaction (for example, 10c on each 250ml beer sold); and tax rates expressed in percentage terms are indexed to the inflation rate.

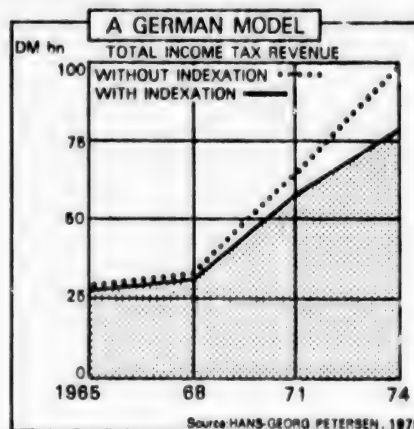
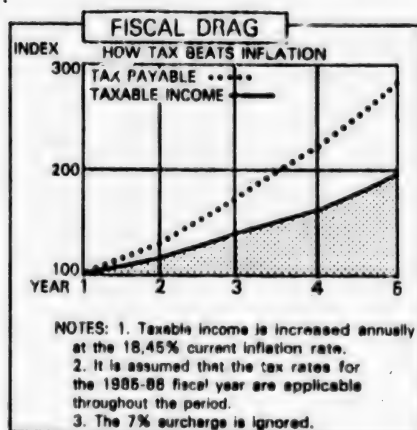
Regarding the effect of inflation and taxes on savings yields, Vito Tanzi, in the 1984 "Taxation, Inflation and Interest Rates" released by the International Monetary Fund, concluded that interest should only be taxed to the extent that it exceeds the inflation rate — for obvious reasons.

Incentive

With an adjustment scheme for the impact of inflation on taxes many problems are diminished. Politicians would be forced to openly increase tax rates if they want to increase public expenditure. But then taxpayers' resistance to taxation will most likely reduce public expenditures.

Taxpayers are encouraged to save. And government has a further incentive to tackle the inflation problem, since its tax collections decrease in real terms without an increase in rates. The responsibility of indexing tax rates lies exclusively with the legislature. Hirschberg argues that so long as the legislator remains passive, the only way to bring about long-overdue reforms is through pressure from below. That implies a tax revolution, or something close to it.

Indexing tax rates is a very realistic approach to the inequities caused by high inflation rates. Crimes of omission in the tax/inflation field contribute to the severity of monetary crises. With the inflation rate set to continue its gallop in the year ahead, the curative must be announced.



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SOUTH AFRICA

EXPORTS OF SCRAP STEEL WILL EARN FOREIGN EXCHANGE

Johannesburg THE CITIZEN in English 3 Feb 86 p 20

[Article by Desmond Healy: "Scrap Steel Will Mean R40-m to SA's Foreign Exchange"]

[Text] EXPORTS of scrap steel will pour more than R40-million into South Africa's foreign exchange coffers this year.

It will be earned from the scale of at least 250 000 tons of scrap to markets in Japan, Korea and Europe for an increase of 100 000 tons above actual exports of 150 000 tons in 1985, according to John Bronneberg, managing director of Balis Property of Johannesburg.

This Swiss-owned company, which is reckoned to be the leader in the scrap-steel market, is currently building an export stockpile in Durban's harbour ready to be loaded into its next chartered ship which is due to sail early in March.

It will be the third which the company has routed to Durban in less than six months, while others have been loaded at Port Elizabeth and East London.

Each vessel takes 20 000 tons of scrap steel and Balis expects to handle five or six more this year at Durban and possibly include Cape Town on the schedule at a later date.

World scrap steel prices are set by companies operating on the East and West coasts of the United States and applied by the International Iron and Steel Institute.

Although South Africa is not a member of the institute, because exports of scrap were banned until just over three years ago, it is able to sell at the going world price.

This now stands at US \$100 a ton for good quality metal which meets the institute's rigid specifications, after being set at \$100 in the closing month of last year due to the non-availability of mill scrap and motor industry offcuts in America.

At the current price of \$100 a ton and after deducting seafreight charters at an average \$25 a ton, South Africa's planned exports for 1986 will bring in \$18,75-million of foreign exchange or about R42,6-million at the present rate of exchange of US 44c to the rand.

The bulk of the 100 000 tons increase in steel scrap exports this year, says Mr Bronneberg, will be accounted for by the South African Iron and Steel Industrial Corporation (IsCOR) which has entered the market to sell of

part of its stockpile of scrap metal.

Until recently Iscor bought all the scrap steel available from industry at prices well below world levels and stockpiled it under a policy which one scrap metal merchant described as "looking ten years down the road to its own requirements".

Reduced domestic demand for steel as a result

of the recession has brought about a change of policy which is expected to make a significant contribution to Iscor's earnings.

The bulk of the metals however will be exported by private enterprise companies, including Rand Scrap and Macsteel which with Balis constitute the Big Three.

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CSO: 3400/1057

SOUTH AFRICA

FIFTH CROP FAILURE FOR WESTERN TRANSSVAAL PREDICTED

Johannesburg THE CITIZEN in English 4 Feb 86 p 9

[Article by Keith Abendroth: "'Many Will Have to Abandon Their Farms'
Fifth Crop Failure for Western Transvaal Predicted"]

[Text] FARMERS in the Western Transvaal are now facing their fifth consecutive crop failure — and for many it will be "the end of the road" unless good rains fall soon, according to a senior official of the Transvaal Agricultural Union.

The official said yesterday that a comprehensive survey done by the union — as the rainy season was heading to the close — had revealed that overall agricultural conditions in the province varied from "promising" to "absolutely critical".

Hardest hit, and facing almost certain disaster were Western Transvaal farmers. However many were positive that good rains would still fall — enabling them at least to have a reasonably normal harvest.

"But if there is another crop failure, many farmers will have to abandon their farms," he said.

Vast tracts of the Northern Transvaal were now also entering a critical phase; and tentative consideration was already being given to declaring some zones drought stricken again.

Cattle farmers particularly were having problems finding fodder and grazing, and herds were being reduced as water supplies, too, dwindled.

The Eastern Transvaal and the Lowveld were however expecting better than normal crops, and conditions were promising. Grazing was good in most areas.

"Generally the farmers are positive about a good agricultural year, although they are being crippled by high interest rates, and skyrocketing input costs," he said.

In a breakdown of regions, he said that farmers in the Lowveld were optimistic. Good rains had been recorded, rivers were flowing strongly and the levels of dams varied, but they were 50 percent full on average.

In the Eastern Transvaal good rains in the next few weeks would definitely result in an above average crop. Areas in which conditions were particularly promising were Standerton, Devon, Delmas, Carolina, Belfast and Piet Retief.

However, the Bronkhorstspuit-Cullinan area was having problems, as were Groblersdal and Marble Hall.

Here crops were at their most vulnerable, and conditions were threatening to become critical.

In the mid Transvaal conditions varied from reasonable to good.

"In the immediate area of Heidelberg, things look very promising, but farther west — towards Krugersdorp and Brits — they are not so rosy," he said.

Brits tobacco farmers had suffered big losses to their crops because of an exceptionally severe heat wave, while irrigation farmers were suffering because of a lack of water.

In the north western Transvaal, farmers in some areas were "desperate" — and total crop failures had already been experienced in the Zeerust, Swartruggens and Thabazimbi areas.

"Grazing is particularly weak to the north. The drought has gone on so long that the natural grazing has had no chance to recover, and farmers are now putting the grazing capability of the area at only 40 percent of normal," he said.

In some regions farmers had not even bothered to plant, and cattle herds were being cut in a desperate effort to keep only the best breeding stock.

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4 March 1986

SOUTH AFRICA

SMALL BUSINESSES CORPORATION FLOODED WITH EAGER ENTREPRENEURS

Johannesburg THE STAR in English 4 Feb 86 p 11

[Article by Michael Chester]

[Text] The quickening tempo of South Africans eager to launch their own new business ventures can be measured at the telephone board and mailbox of the Parktown head office of the Small Business Development Corporation (SBDC) in Johannesburg.

The trickle of requests from potential and fledgling entrepreneurs seeking loans to make a start or guidance on how to keep going, has turned into a flood of 12 000 a month.

The inquiries are from blacks and whites — from housewives anxious to pad out the family income to re-trenched executives hit by the recession — convinced they can make a go of business ventures of their own.

STRINGENT TESTS

The SBDC is sympathetic to all. But the success rate of applications for loans is no higher than one in every four or five — often because of the stringent tests used by its team of experts to thin out proposals that look doomed to failure.

"We're here to try to assist everyone, however modest the proposition, and we have launched hundreds of new ventures," says Mr Francois Baird, SBDC liaison executive.

"Size has little influence on the projects we agree to finance. For instance, the number of loans we handed out under our mini-loan programme — R2 000 or less over 24 months — more than doubled in our last financial year to almost 1 500.

REGULATIONS

"And the applicants came in all shapes and sizes — groups of housewives forming knitting circles, backyard producers of beadwork or window frames, welders, dressmakers, shoe repairers, photographers, upholsterers.

"Also, we are hard at it trying to convince the authorities to dismantle the pile of regulations that hold back initiative — especially among blacks seeking to make a start in the informal sector with backyard enterprises that collectively can do miracles in curbing unemployment.

"But we cannot operate as a charity. Proposals have to make sense. And so we run a simple set of tests to prove viability.

"It would be useless and counter-productive to encourage someone to start a factory to manufacture snowballs for export to the eskimoes".

So the SBDC combs through a few ground rules when it considers loans. Among the basic factors that come under the microscope are:

BASIC RULES

- Applicant's experience, track record and management skills.
- His or her own contribution to total capital requirements.
- Capital structure of the proposed new business.
- Market potential of the business and growth prospects.
- Profitability and cash-flow forecasts.

All this has to be filled in when application is made for financial assistance.

Applicants are advised to keep five basic rules in mind:

- Funds likely to be tied up for more than 12 months should be obtained from sources that allow long-term repayments.
- Funds required for current needs, such as buying stock, should be obtained from short-term sources such as bank overdrafts.
- Owners should be equipped to provide at least one-third of total capital requirements.
- Value of current assets should always exceed the value of current liabilities.
- Cash flows should be adequate to meet normal business obligations as they fall due.

★ ★ ★

The R75-million injection of new capital from the Government, made three months ago, has been been swallowed by a new batch of SBDC services.

The first R25million went into what the SBDC calls its Small Business Start-Up Fund, designed for allocation to new ventures needing loans for premises, working capital, machinery and establishment costs.

The maximum loan under the programme is R300 000, to be repaid over 10 years. To avert cash-flow problems, entrepreneurs are given a breathing space with deferments in payments and low interest rates.

BUILDING

- New manufacturing ventures can be given a morato-

rium on capital repayments for up to four years, in which time interest will be pegged at 10 percent.

- New businesses in the commercial and service sectors can be granted a moratorium on capital repayments lasting two years.

The emphasis of the programme is fixed on the potential to create new jobs, import substitution and export promotion.

★ ★ ★

Next, R10 million has gone into a Small Builders Bridging Fund, specifically aimed at encouraging initiative to tackle the immense and chronic housing shortage.

The fund sets out to provide bridging finance for small builders, with loans inside a maximum of R20 000 per building unit and interest set at 15 percent.

One stipulation: the builder must have a buyer for the house and the loan is linked to a formal contract.

★ ★ ★

R10 million goes into an Entrepreneurship Training and Development Programme, under which the SBDC is expanding the number of cluster industrial workshops it operates, creating "small business clinics" and opening up buyer-and-seller exchanges.

Factory units will be provided as virtual nurseries where new entrepreneurs can be groomed — again with emphasis on the creation of more jobs.

★ ★ ★

The Small Business Aid Fund — designed to provide short-term bridging finance to existing small businesses feeling the worst pinches of the recession — takes R30 million.

Loans of up to R50 000 carry interest rates of only 10 percent and capital repayments may be postponed for the first 12 months.

A key proviso: the business must prove to be viable in the long term and its continued existence likely to make a sound cumulative contribution to its local community.

Why So Many New Ventures Collapse

"It is an unfortunate fact that the failure rate of small businesses is high.

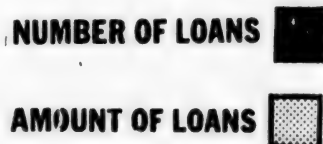
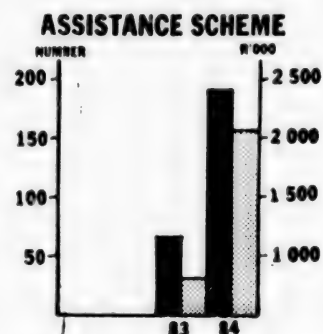
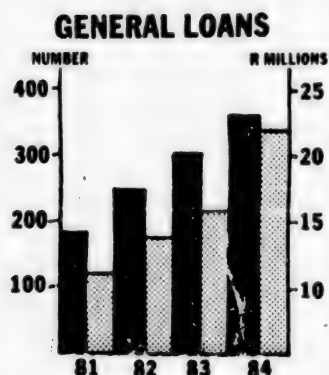
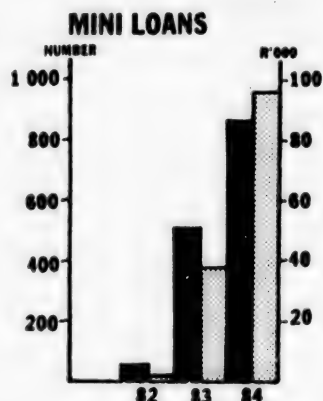
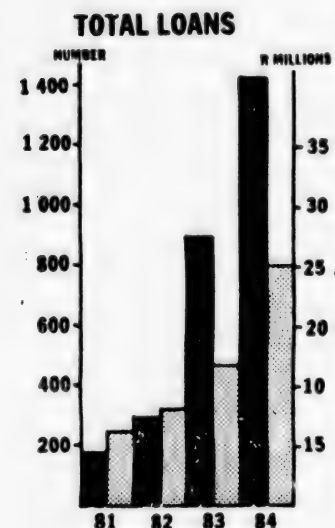
"In the United States studies have shown that out of every 10 new businesses started, seven survive the first year, five survive to the third year, and after five years only two remain.

"Why?

"The real answer is in the quality of key management decisions on strategy. Strategic issues may present themselves at any time and there is a danger that they can be overlooked if time is not set aside for conscious and regular reviews.

"The more clearly an entrepreneur defines his business strategy, the more likely are his chances of success".

● Mr John Stretch, management consultant and lecturer at the Graduate School of Business at Cape Town University, who will be the key speaker at two special seminars to be run by the Johannesburg Chamber of Commerce on February 13 to examine the problems that new small businesses may meet.



The SBDC runs a variety of loan schemes tailored more or less to the size of the small business.

-- A mini-loan programme is designed to help infant enterprises -- knitting and sewing circles, welders, shoemakers, beadwork shops and cottage industries in general. Loans are R2,000 or under, repayable over two years.

-- A comprehensive assistance assistance scheme awaits the small fry when they want to expand into the formal sector and perhaps move into an industrial park or shopping centre. Loans go up to R30,000 with a bundle of supplementary services on hand.

-- A general finance programme caters for bigger ventures in the industrial and commercial sector. Loans go as high as R300,000 and cover items such as share capital, leases and business guarantees.

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SOUTH AFRICA

CONSUMER MARKET 'WILL BE DOMINATED BY BLACKS'

Johannesburg THE CITIZEN in English 4 Feb 86 p 23

[Text]

THE future growth of the retail market will be almost entirely in the hands of the Black consumer. Anyone not catering to his needs and aspirations can only become a specialist to a tiny segment of the population.

In fact, shares with the most potential are likely to belong to those retail groups which aim at Black consumers, or those due to benefit from a change in Black shopping habits.

This opinion was voiced yesterday at the 9th annual investment conference by R S Cohen, chairman and MD of Amrel.

By the year 2000, 71 percent of the country's population (as opposed to 65 per cent today) will be Blacks — numbering R25,7-million.

Dropped

Whites, Coloureds and Asians will have dropped in percentage terms to 16, 10 and 3 from today's percentage of 19,6, 12 and 3,4, according to figures released by the Human Science Research Council.

Retail sales will have rocketed from today's total of R32,3-billion to R50,7-billion (in terms of 1985 prices) by the end of this century, according to Unisa's Bureau of Market Research.

Today, Blacks account for 31,9 percent of total retail spending as opposed to Whites' 55,4 per cent. For Blacks this figure will escalate to 40,7 per cent, while Whites will drop to 42,4 percent.

During this period Blacks' spending power will double while that of Whites will only increase by a modest 20 percent.

"I believe these figures to be conservative," Mr Cohen said. "By the year 2000 Blacks' percentage share of SA's disposable income will have jumped to 40,7 percent, from the 23,3 percent they enjoyed in 1970.

Explode

Black spending will explode because of:

- social pressure to increase Black salaries;
- union demands for wage increases;
- population growth with Blacks numbering 35-million; (14,5-million more than in 1980);
- the increased power of the newly emerging Black middle class;
- the prosperity of Black entrepreneurs in townships and the CBDs;
- the expansion of Black middle and senior management; and
- the changing pattern of Black aspirations.

"Market share of food will change dramatically

and if one bears in mind the average purchase of Blacks is far more basic than that of Whites, the strength of Black spending is even more marked." Mr Cohen said. "Clothing and footwear trends will follow a similar pattern but unit sales to Blacks will be more similar to those of Whites, particularly in urban areas.

"Only in furniture and household appliances do we estimate Black spending to be slightly lower than that of other ethnic groups. This would be because of a lack of quality homes and electrification, particularly in rural areas.

Value conscious

"Black consumers have become more value conscious and their aspirations are fast moving towards shopping for the same merchandise at the same price as their White counterparts.

"Urban Blacks will probably spend more than Whites on a fashion item or a pair of shoes," he said.

"Rural Blacks, however, will continue buying from Black traders for many years to come but this, of course, will be offset by the massive swing towards urbanisation."

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CSO: 3400/1048

SOUTH AFRICA

CHURCH OF ENGLAND WILL NOT BREAK INVESTMENT LINKS

Johannesburg THE STAR in English 5 Feb 86 p 15

[Text]

LONDON — The Church of England will "seriously damage" its long-term interests if it reduces its South African investments, according to a church report.

These investments earn £8 million (about R24 million) a year and their withdrawal could break British law.

Despite a 1982 General Synod motion supporting "progressive disengagement" from South Africa, a preliminary report released by the Church Commissioners yesterday confirmed the church's financial stake in the country, estimated to account for no more than one percent of all investment income.

Church investments in South Africa are a source of growing controversy and will be a key issue in the "South Africa debate" during July's synod.

Yesterday's report said although the church did not invest directly in South Africa, most of the large UK and US companies which carried a substantial portion of its £ 800 million (R2,4 billion) stock exchange investments have a stake in South Africa.

The commissioners say an attempt to reduce investments in South Africa would mean withdrawing from 65 companies in Britain alone, about two thirds of the UK portion of the portfolio.

Among them are ICI, GEC, Beecham, British Oxygen, Shell, British Petroleum and Unilever.

"To exclude such a wide range of leading British companies would risk seriously damaging the long-term interest of the church." This could run counter to British law, the report said.

"The commissioners are a charity and have statutory responsibilities to their beneficiaries, the serving and retired clergy.

"This means financial considerations must be the major factor in all investment matters and this has been underlined by a recent legal ruling on the responsibilities of trustees and management of charitable funds," the report said.

The commissioners nevertheless recognise that South African investment is potentially controversial.

"Financial considerations take priority when we make investments, but at the same time we also have particular regard to the ethical and social aspects of investment."

The commissioners avoid investing in companies whose business is "primarily in areas of activity which they believe might be open to major objection or undue controversy".

A church pamphlet said: "At present these are armaments, gambling, alcohol, tobacco, newspapers and South Africa."

The secretary of the commissioners, Mr J E Shelley, said: "While we do not seek this direct involvement in South Africa, we cannot entirely

avoid it. But we do not let the matter rest there.

"Where the companies in which we invest have a stake in South Africa we seek to ensure they follow enlightened employment and social policies.

"We monitor the activity of any company having an interest in that country to establish that they operate policies in line with the EEC Code of Conduct or, in the case of the United States, the Sullivan Principles.

"Where evidence of non-compliance with the codes is found, we exert pressure on them to come into line. If the company fails to take appropriate action, the commissioners are prepared to sell shares.

"It was because of its non-compliance with the Sullivan Principles that we sold our stake in Carnation in 1984."

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SOUTH AFRICA

SBDC URGES GOVERNMENT TO REMOVE REGULATIONS

Johannesburg THE STAR in English 5 Feb 86 p 15

[Article by Michael Chester: "SBDC Pleads: Cut Red Tape and Let Us Take Off"]

[Text]

A renewed warning has been issued by the Small Business Development Corporation that programmes aimed at creating new jobs on any big scale will all be hamstrung unless the Government removes the web of regulations that ensnares black initiative in red tape.

The top priority, argues managing director Dr Ben Vosloo, should be to provide a vigorous thrust to the informal sector — the mass of small backyard enterprises whose main concern at the moment is to dodge a horde of bureaucrats they blame for constant harassment.

Optimism about more freedom for the informal sector has been kindled by remarks by President Botha at the opening of Parliament last weekend.

But critics remain wary until the emergence of actual evidence of deregulation of the small business sector in general.

Dr Vosloo often wonders whether the politicians, whatever their extremes, will ever learn the lessons he is convinced have been spelled out by the international economic giants.

He runs out of fingers when he trots off the barriers that have been enforced in South Africa:

- The Group Areas Act, which limits access to markets and finance.
- Business zone boundaries and regulations inside them.
- Standards to meet legal requirements on such items as health services and building regulations.
- Minimum wage guidelines laid down by industrial councils that he feels are "unduly rigid".
- Red tape related to the issue of business licences.
- Restrictive business and shopping hours.
- Rigid controls that confine the informal sector in general.

In Japan, he likes to point out, the small business sector has been groomed into a gigantic job-maker behind its "economic miracle".

A chain of 15 special institutions in Japan have been created specifically to finance the launch of new ventures by entrepreneurs. The scale of the operation emerges from a recent count showing that a staggering R1 500 billion has been showered on new small enterprises.

The impact shows in 1984 statistics. Small businesses, each with total labour forces all below 300 workers, accounted for no less than 51.4 percent of Japan's overall production in the manufacturing sector.

Even more significant, in Dr Vosloo's view, the business minnows between them now provide no less than 72 percent of all the factory jobs in Japan.

Britain, West Germany and the United States are among a growing number of competitors who have been stunned by Japan's successes and have ordered full-scale research into how to disentangle bureaucratic regulations that prevent their own informal sectors from being given full rein.

"When is South Africa going to learn?" asks Dr Vosloo. "Especially with its acute socio-political problems and its desperate need to create jobs".

The SBDC takes enormous pride in its achievements since its 1981 launch. It has been the financial and guiding hand behind the launch of around 5 000 new small ventures that between them have created more than 36 000 new jobs — virtually out of the blue.

But the corporation has had to spread a budget that amounted to little more than R90 million, at least until a couple of months ago.

The Government came in with a R30 million prop to SBDC finances a year ago and added another R75 million a

few months ago.

But this assistance looks puny alongside estimates by Dr Vosloo that South Africa needs to plough at least R5 000 million into new black businesses alone over the next five years.

The figure may sound astronomical but is in fact no higher than the expenditure committed or planned for new developments in the white areas.

"The sum of R5 billion is mentioned to set the scenario for the vast amount of money required", says Dr Vosloo.

"What is of paramount importance is that a commitment be made to actively accelerate new developments so that the present black townships become normal cities with their own neighbourhood shopping centres and central business districts."

The SBDC has already outlined its thinking in confidential talks with the Southern Africa Development Bank, the Industrial Development Corporation and the huge insurance companies and pension funds.

A special action committee has been formed as a task force to probe deeper in a search for solutions to the problem of where the finance will come from.

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SOUTH AFRICA

BRIEFS

FUEL PROTEST PETITION SIGNED--About 35,000 people have signed the "Jack and Jill" petition calling for the Government to use massive profits from the oil pipeline to reduce the cost of fuel. The petition was launched by pensioner Mr Jack Huber and housewife Mrs Jill Purkiss (24). They were so incensed by the petrol price rise in January that they decided consumers had to stop being apathetic and call for a halt in increases. Copies of the petition have been circulating in supermarkets, cafes, and offices in the Transvaal, Natal and Cape. Mr Huber said the cut-off date for petitions was February 15. They would then be presented to the Government. Anybody wanting copies of the petition should contact Mrs Purkiss at (011) 447-2765 or Mr Huber at 849-5371. [Text] [Johannesburg] THE STAR in English 4 Feb 86 p 7 /12851

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